// A regular meeting of the Council of the City of Lynchburg was held on the 27th day of September, 2011, at 5:00 P.M. in the Council Chamber, City Hall, Joan F. Foster, President, presiding. The following Members were present:

Present: Cary, Gillette, Helgeson, Johnson, Nelson, Foster 6

Absent: Perrow 1

// Deputy City Manager Bonnie Svrcek gave a presentation regarding the Neighborhood Development Foundation (LNDF) Agreement. Ms. Svrcek stated since 1999, the City of Lynchburg has had a contractual relationship with LNDF to provide consultative services in the areas of affordable housing development and financing, community development financing, and neighborhood development. This contractual relationship lapsed due to Council's deferral of funding consideration. LNDF has provided a conduit for the City in meeting the housing goals outlined in the Council adopted 2010 Consolidated Plan required by the Department of Housing and Urban Development. Ms. Svrcek went on to say LNDF is unique in that its staff has the financing expertise to redevelop properties that might otherwise remain vacant. Council is being asked today to memorialize the relationship between LNDF and the City.

During Council discussion, Council Member Nelson stated in trying to define a contract, whether or not a contract is performed satisfactory or is not performed satisfactory, there does need to be certain objectives, benchmarks and measurements within the contract, The current contract in its current form does not have a great deal of specific objective criteria from what Council or anyone can measure. Several Council Members asked what services does LNDF perform now that is unique if the contract was not renewed, and was there any other organizations that could perform these functions. Council Member Helgeson commented does this rise to the level of a contractual obligation versus discretionary. Council Member Helgeson further stated that he does not think it rises to the level of a contract. Council Member Nelson made a motion, seconded Vice Mayor Johnson, that Council approve this as a contract but limit its term to one year. Council Member Nelson stated that he does believe this is a contract. Council Member Gillette stated that LNDF does good work and they should get the $25,000 funding. However, by legal definition it constitutes a contract, but believes that it falls within the discretionary category rather than contractual. Mayor Foster stated that she believes that LNDF offers a service to this community that we ourselves are not staffed to do at the present. Mayor Foster further stated she would like to see them keep the charge on housing because they do know housing and see them being an integral part of working with the City. Council by the following recorded vote did not have a super majority and therefore the motion failed:

Ayes: Johnson, Nelson, Foster 3

Noes: Cary, Gillette, Helgeson 3

Absent: Perrow 1

Vice Mayor Johnson made a motion to vote on this issue as a discretionary issue, seconded by Council Member Gillette, and the motion failed for the lack of a super majority by the following recorded vote:

Ayes: Gillette, Johnson, Nelson, Foster 4

Noes: Cary, Helgeson 2

Absent: Perrow 1

Vice Mayor Johnson made a motion directing City Administration to move forward with negotiating a contract and bring it back to Council for approval, seconded by Council Member Gillette. Council Member Helgeson stated that he would not be voting for this motion because he felt like the City was just fishing for a contract and did not want staff to be spending more time on this when it should be the responsibility of LNDF to do this. Council Member Cary stated that if there is a contract with LNDF that targets developing a housing policy for the City he would be inclined to support it, and Council by the following recorded vote passed the motion:

Ayes: Cary, Gillette, Johnson, Nelson, Foster	5
Noes: Helgeson	1
Absent: Perrow	1

// City Manager Kimball Payne gave an overview of the Airshow organization and would like for the region to host future air shows featuring military flight demonstration teams. Mr. Payne went on to say that the Lynchburg Regional Airshow, Inc. has submitted an application for a military flight demonstration team to participate in an air show in 2013. In order for the region to further consider hosting an air show in 2012, it was agreed that questions of air show governance, management and coordination needed to be resolved and the support of the governing bodies obtained by October.

After Council discussion, Council Member Helgeson made a motion, seconded by Council Member Cary to support the future Regional Air Shows and Council by the following recorded vote passed the motion:

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

Vice Mayor Johnson left the meeting during this item and did not return until Roll Call

// Council Member Cary was still concerned about the access regarding Tyreanna and asked the City Manager to set up a meeting with Mr. Cary from Virginia Department of Transportation (VDOT). Mr. Cary with VDOT and Mr. W. E. Clark will be invited to attend the next Physical Development Committee meeting. Council Member Gillette referred to the press conference that was held at 3:00 p.m. regarding the Heritage Task Force. Council Member Gillette also thanked School Board staff and City staff and further stated he was very proud of the product. Mayor Foster also commended the Heritage Task Force and gave a big thank you for a job well done.

// Council Member Helgeson left the meeting during roll call.

// On motion of Vice Mayor Johnson, seconded by Council Member Cary, Council by the following recorded vote elected to hold a closed meeting to consider appointments to Council-appointed Boards and Commissions, i.e., Social Services Advisory Board, Board of Building Code Appeals, Redevelopment & Housing Authority, Lynchburg Business Development Centre, Towing Advisory Board and Design Review Board; pursuant to Section 2.2-3711(A)(1), Code of Virginia (1950), as amended:

Ayes: Cary, Gillette, Johnson, Nelson, Foster	5
Noes:	0
Absent: Helgeson, Perrow	2

// 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 Council Member Gillette, and Council by the following recorded vote adopted the motion:

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

// Council Member Helgeson returned to the meeting for the closed session.

// In the matter of Appointments, and on nomination of Council Member Cary, seconded by Council Member Nelson, Council by the following recorded vote re-appointed Thomas M. McGrath, to serve another term on the Social Services Advisory Board for terms to expire September 30, 2015:

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

On nomination of Council Member Cary, seconded by Council Member Nelson, Council by the following recorded vote re- appointed Barry E. Layne and Otto F. Schoufelder to serve another term on the Board of Building Code Appeals for terms to expire September 30, 2015:

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

On nomination of Council Member Cary, seconded by Council Member Nelson, Council by the following recorded vote appointed Mark W. Smith to serve a term on the Board of Building Code Appeals for a term to expire September 30, 2015:

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

On nomination of Council Member Cary, seconded by Council Member Nelson, Council by the following recorded vote re- appointed John M. Perry, Jr. to serve another term on the Redevelopment &

Housing Authority Board for a term to expire September 30, 2015:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Foster 6

Noes: 0

Absent: Perrow 1

On nomination of Council Member Cary, seconded by Council Member Nelson, Council by the following recorded vote re- appointed Phillip E. Brown, Ward A. Dean, Jr., Jeffrey W. Laub, and William T. Lease to serve another term on the Lynchburg Business Development Centre Board for terms to expire September 30, 2014:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Foster 6

Noes: 0

Absent: Perrow 1

On nomination of Council Member Cary, seconded by Council Member Nelson, Council by the following recorded vote appointed R. Bryan David to serve on the Lynchburg Business Development Centre to fill an unexpired term to expire September 30, 2013:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Foster 6

Noes: 0

Absent: Perrow 1

On nomination of Council Member Cary, seconded by Council Member Nelson, Council by the following recorded vote appointed Brian Satterlee to serve on the Lynchburg Business Development Centre to fill an unexpired term to expire September 30, 2012:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Foster 6

Noes: 0

Absent: Perrow 1

On nomination of Council Member Cary, seconded by Council Member Nelson, Council by the following recorded vote appointed Patrick McNamara and Duval H. Powell, Jr., to serve on the Lynchburg Business Development Centre for terms to expire September 30, 2014:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Foster 6

Noes: 0

Absent: Perrow 1

On nomination of Council Member Cary, seconded by Council Member Nelson, Council by the following recorded vote appointed 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, 2011:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Foster 6

Noes: 0

Absent: Perrow 1

// City Council recessed the meeting at 6:36 p.m.

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

The following Members were present:

Present: Cary, Gillette, Helgeson, Johnson, Nelson, Foster 6

Absent: Perrow 1

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

// Mayor Foster and Vice Mayor Johnson presented a Proclamation for National and Local Walk to School Day October 5, 2011 all encouraged all citizens to participate.

// Copies of the minutes of the September 13, 2011 meeting, having been previously furnished Council, reading was dispensed with, and on motion of Council Member Helgeson, seconded by Council Member Gillette, Council by the following recorded vote approved the minutes as presented:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Foster 6

Noes: 0

Absent: Perrow 1

// In the matter of Public Works – Water, Resolution #R-11-096 amending the FY 2012 Water Capital Projects Fund budget and appropriating $24,000, fully reimbursable, to reimburse costs associated with bringing the Pedlar Dam and Abert Lagoon Dam to minimum standards, laid over from the September 13, 2011 meeting, was again presented and read, and on motion of Council Member Helgeson, seconded by Council Member Gillette, Council by the following recorded vote adopted the Resolution:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Foster 6

Noes: 0

Absent: Perrow 1

// In the matter of Police – Emergency Services, Resolution #R-11-097 amending the FY 2012 City/Federal/State Aid Fund budget and appropriating $120,000, fully reimbursable, to refresh the current Vesta Pallas 911 telephone system located in the Emergency Communications Center, laid over from the September 13, 2011 meeting, was again presented and read, and on motion of Council Member Helgeson, seconded by Council Member Gillette, Council by the following recorded vote adopted the Resolution:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Foster 6

Noes: 0

Absent: Perrow 1

// In the matter of Finance – General, Resolution #R-11-100 amending the FY 2012 Operating and Capital Budgets and appropriating funds to reflect the carry forward of unexpended funds in FY 2011, laid over from the September 13, 2011 meeting, was again presented and read, and on motion of Council Member Helgeson, seconded by Council Member Gillette, Council by the following recorded vote adopted the Resolution:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Foster 6

Noes: 0

Absent: Perrow 1

// In the matter of Police – Emergency Services, Resolution #R-11-101 amending the FY 2012 Fleet Fund Budget and appropriating $691,437, to purchase a replacement vacuum/jetter truck along with two replacement television inspection trucks destroyed in a recent fire, laid over from the September 13, 2011 meeting, was again presented and read, and on motion of Council Member Helgeson, seconded by Council Member Gillette, Council by the following recorded vote adopted the Resolution:

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

// In the matter of Greater Lynchburg Transmit Company (GLTC), Sharon Slaughter spoke before Council regarding GLTC.

// In the matter of Greater Lynchburg Transit Company (GLTC), City Council Report #11 was considered. City Manager Kimball Payne stated that the GLTC Board has already taken some steps with reducing services and deferring state positions among other things to produce a balanced budget for fiscal 2012. What remains is the $100,000 that is coming before Council.

During Council discussion Council Member Cary was concerned about GLTC not properly monitoring its books, blaming others for their problem and found the remarks in the paper by a GLTC Board Member disconcerting and stated that he would not support additional funding. Council Member Gillette stated that he would like to support GLTC but did not believe he could responsibly vote tonight to do this, and he also needed the following information from GLTC:

(1) Where would the $100,000 go?

(2) If there were no $100,000, what would happen?

(3) Council would like detailed information from GLTC concerning this budget.

(4) How is the structural deficit going to be covered over time?

(5) Council would like to see the most recent audit report.

Council Member Helgeson stated that for the last several years the City has given more funding to GLTC than Federal or State government. Council Member Helgeson further stated that GLTC has had deficits in previous years and GLTC is still asking for money. Council Member Helgeson made a motion, seconded by Council Member Cary, to send this item back to the GLTC Board for further discussion and to answer the five questions brought up during discussion by Council Member Gillette and Council by the following recorded vote passed the motion:

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

// In the matter of Economic Development – General, City Council Report #12 was considered. Council Member Helgeson, Finance Committee (FC) Chair stated this item came before FC with recommended approval. Council Member Helgeson made a motion to approve the request which required no second, Council by the following recorded vote introduced and laid over to a later meeting for final action

Resolution #R-11-104, as presented, amending the FY 2012 General Fund budget and appropriating $30,000 to allow the Office of Economic Development to provide incentives to attract and grow arts and cultural organizations:

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

// In the matter of Library – General, City Council Report #13 was considered. Council Member Helgeson, Finance Committee (FC) Chair stated this item came before FC with recommended approval. Council Member Helgeson made a motion to approve the request which required no second, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-11-105, as presented, amending the FY 2012 City Capital Projects Fund budget and appropriating $150,000 with resources from a donation from St. John's Episcopal Church to build a dedicated story time room at the Lynchburg Public Library:

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

// In the matter of City Council, City Council Report # 14 was considered. On motion of Council Member Helgeson, seconded by Council Member Gillette, Council by the following recorded vote adopted Resolution #R-11-106, as amended, expressing opposition to the potential closure of the Courthouse Branch Post Office at Clay and 12 Streets:

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

// The meeting was adjourned at 9:02 P.M.

Clerk of Council

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **October 11, 2011** AGENDA ITEM NO.: 1

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

ACTION: INFORMATION: **X**

ITEM TITLE: **Urban Deer Management Program**

RECOMMENDATION: No action required.

SUMMARY: The Department of Game and Inland Fisheries has issued to the City new "Official Kill Permit Terms and Conditions" as of September 15, 2011. A copy is attached. Because the deer management program has been of interest to Council in the past it was felt appropriate to brief Council on the new terms and conditions.

PRIOR ACTION(S): September 14, 2010, Council amended the bow hunting ordinance; October 12, 2010, Council was briefed on the status of the deer management program.

FISCAL IMPACT: N/A

CONTACT(S): Chief Warden Larry Faust, 455-6105

ATTACHMENT(S): September 15, 2011 correspondence from the Department of Game and Inland Fisheries

REVIEWED BY: lkp

157L

RECEIVED 9-21-11

COMMONWEALTH *of* VIRGINIA

Douglas W. Domenech
Secretary of Natural Resources

Department of Game and Inland Fisheries

Robert W. Duncan
Executive Director

September 15, 2011

Colonel Parks H. Snead, III
Chief of Police, City of Lynchburg
905 Court Street
Lynchburg, VA 24504

Dear Chief Snead:

The City of Lynchburg Police Department was initially granted authority to issue deer kill permits in 1992 in a letter to Chief Joseph Seiffert by then-Agency Director Bud Bristow. The terms and conditions for that authority were last formally updated in a letter to Chief Charles Bennett from Captain John Heslep in September 1995. The City of Lynchburg has since developed a very successful urban deer management program that is a model to the rest of the state. Since a number of other Virginia cities and towns have also initiated urban deer management programs, including issuance of deer kill permits, and we have recognized a need to standardize the terms and conditions under which that authority is granted for issuance of kill permits. These revised terms and conditions were written to emphasize compliance with the Code of Virginia (Section 29.1-529), to re-enforce the focus on killing of antlerless deer, to encourage the use of legal hunting methods by licensed hunters during the open hunting season, and to minimize opportunities for potential abuse of the process that may not withstand public scrutiny.

Effective immediately, the City of Lynchburg is authorized to issue Official Kill Permits for deer damage in accordance with the attached City of Lynchburg Kill Permit Terms and Conditions dated September 15, 2011. We are pleased to be able to continue to assist the City of Lynchburg in its efforts at deer population control.

If you have any questions about the attached Terms and Conditions, you may contact Captain Tony Fisher at the Forest Regional Office. His telephone number is (434) 525-7522.

Sincerely,

Bob Duncan

Robert W. Duncan
Executive Director

RWD/ag

c: Captain Tony Fisher
Jim Bowman
Dan Lovelace
Matt Knox
Nelson Lafon
Colonel Dee Watts

cc: Maj [illegible] 9/21/11
Capt Clark
Mr. Faust

4010 WEST BROAD STREET, P.O. BOX 11104, RICHMOND, VA 23230-1104
(804) 367-1000 (V/TDD) ***Equal Opportunity Employment, Programs and Facilities*** **FAX (804) 367-9147**

City of Lynchburg – Official Kill Permit Terms and Conditions
September 15, 2011

1. The Chief of Police or his designee shall investigate all deer damage complaints and issue all deer kill permits.

2. All kill permits shall be issued on the Official Kill Permit form provided by the Department of Game and Inland Fisheries. Immediately after a permit is issued, the pink copy of the permit shall be forwarded to Matt Knox at 1132 Thomas Jefferson Road, Forest VA 24551. Due diligence will be used to collect and record permit information. Upon expiration of the kill permit, the original copy shall be submitted to the same address without unnecessary delay and shall include a record of the number of deer killed.

3. Kill permits for deer may be issued when:
   - deer are damaging fruit trees, crops, livestock, or personal property used for commercial agricultural production
   - deer are causing damage to residential plants, whether ornamental, noncommercial agriculture (e.g., vegetable gardens), or other types of residential plants
   - whenever deer are creating a hazard to the operation of any aircraft or to the facilities connected with the operation of aircraft
   - whenever deer are creating a hazard to the operation of motor vehicle traffic within the corporate limits of any city

4. Whenever deer cause damage on parcels of land five acres or less, except when such acreage is used for commercial agricultural production, persons authorized to investigate the damage shall have the discretion as to whether or not to issue a kill permit.

5. Kill permits may specify in writing the number of deer to be killed and the period of time for which the kill permit is effective. Kill permits shall specify in writing that **only antlerless deer shall be killed**, unless there is clear and convincing evidence that the damage was done by deer with antlers (e.g., antler rubbing damage to trees). No animals may be killed between 12:00 midnight Saturday and 12:00 midnight Sunday.

6. With the exception of sharpshooting programs conducted on kill permits by City of Lynchburg law enforcement personnel, City of Lynchburg employees, or hired contractors, issuance of kill permits during an open deer season, including urban archery, is **strongly discouraged and not recommended**. Any such permits in effect at the execution of this agreement shall not be renewed or extended.

7. Kill permit damage control activities are limited to the area described on the kill permit.

8. The carcass of any deer killed on a kill permit may be awarded to the landowner or lessee and the meat may be used for human consumption. The carcass and any unused meat shall be disposed of within 24 hours of being killed. Deer may be disposed of by being buried, personal use of landowner, or by donation to, or through, a bona fide charitable organization. The parts of

any deer, including antlers shall not be used for the purpose of taxidermy, mounts, or any public display.

9. No one except those persons specifically listed on the kill permit may assist or be present during the damage control activities. The permit must be carried and available for inspection during damage control activities. State law prohibits persons convicted of wildlife violations from being present, designated as a shooter, or carrying out the authorized activity of the kill permit for a period of not less than two years and up to five years following their most recent conviction. Persons convicted of wildlife violations may be issued kill permits but may not be present, act as a shooter, or assist with damage control activities.

10. The holder of a kill permit shall be subject to local bow and arrow and firearm ordinances, including those regulating the discharge of bow and arrow and firearms.

11. The City may revoke or refuse to issue any kill permit when it has been shown by a preponderance of evidence that an abuse of the kill permit has occurred. Failure to comply with kill permit conditions may also result in criminal prosecution.

12. **Sharpshooting activities conducted within the city by city law enforcement personnel, city employees, or hired contractors (additional requirements):**

When deer kill permit activities (e.g., sharpshooting) are conducted within an incorporated city or town by the city or town law enforcement personnel, its employees, or hired contractors, the following additional restrictions shall apply.

A. There shall be no restriction on the sex of deer killed, but a **strong emphasis should be placed on the killing of antlerless deer**. Additionally, a reasonable effort should be made to recover the carcass of each deer for disposal as described in Paragraph B.

B. A running monthly report/spreadsheet shall be kept and submitted electronically to the Department (matt.knox@dgif.virginia.gov) at the end of each month (within 5 business days) during which any deer culling activities occur. The spreadsheet shall include the consecutive deer number, the date each deer was killed, the approximate GPS location, physical address, or written description of the location where the deer was killed, the sex of the animal, (M or F), whether or not the animal had antlers (Y or N) and if so, the number of points, and the final disposition of each animal including the name of the individual or organization where carcass was donated or other disposal method (e.g., X County landfill). An example is below. All antlers from deer culled from August 1 through April 15 of each year must be removed (sawed off) just below the burr, bound together, and labeled with the deer number and submitted to the Department with the monthly or final yearly report.

No	Date	Location	Sex	Antlers	Points	Disposition
1	09/15/11	Oak Park	M	Y	8	X County landfill
2	09/15/11	John Doe Property, 123 Main St.	F	N	0	Given to landowner, John Doe
3	09/15/11	City Cemetery	M	Y	10	Hunters for the Hungry

C. A final yearly report/spreadsheet, dates running from April 1 through March 31 of the following year, shall be submitted to the Department (matt.knox@dgif.virginia.gov), no later than April 15. This report shall include all activities conducted under this Terms and Conditions Agreement, which includes all information as listed in Paragraph B.

D. No city or town employee or hired contractor shall utilize or keep any part, including antlers, of any deer killed under authority of a kill permit.

13. The Department reserves the right to immediately suspend operations or activities authorized under these Terms and Conditions (i.e., sharpshooting, issuance of kill permits to landowners, etc.) that it determines to be out of compliance with any provisions contained herein.

Reference: Code of Virginia; 29.1-529.

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **October 11, 2011**			AGENDA ITEM NO.: 2
CONSENT:	REGULAR:	WORK SESSION: **X**	CLOSED SESSION: (Confidential)
ACTION: **X**	INFORMATION:		

ITEM TITLE: **FY 2012 Supplemental Funding Request for the Greater Lynchburg Transit Company**

RECOMMENDATION: Adopt a resolution to amend the FY 2012 General Fund budget and appropriate $100,000 with resources from the FY 2012 General Fund Reserve for Contingencies to prevent further reductions in services provided by the Greater Lynchburg Transit Company (GLTC).

SUMMARY: Attached is information provided by GLTC in response to questions raised by Council on September 27, 2011 during the discussion of GLTC's request for an additional $100,000 from the City for its FY 2012 Budget.

Also attached is the Council report previously provided for the September 27th meeting.

PRIOR ACTION(S): September 27, 2011 Council Meeting

FISCAL IMPACT: A one-time payment of $100,000 is needed from the FY 2012 General Fund Reserve for Contingencies to balance the FY 2012 budget.

CONTACT(S): Kimball Payne, 455-3990; Michael J. Carroll, General Manager of GLTC, 455-5084

ATTACHMENT(S): September 27, 2011 Council Report; Letter from GLTC in response to Council's questions; Monthly Budget Reports; FY 2011 Financial Report; Audit Letter; Management Letter; Resolution

REVIEWED BY: lkp

RESOLUTION:

BE IT RESOLVED that the FY 2012 General Fund budget is amended and $100,000 is appropriated with resources from the FY 2012 General Fund Reserve for Contingencies to prevent further reductions in services provided by the Greater Lynchburg Transit Company (GLTC).

Introduced: Adopted:

Certified: ________________________________
Clerk of Council

159L

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **September 27, 2011** AGENDA ITEM NO.:

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

ACTION: **X** INFORMATION:

ITEM TITLE: **FY 2012 Supplemental Funding Request for the Greater Lynchburg Transit Company**

RECOMMENDATION: Adopt a resolution to amend the FY 2012 General Fund budget and appropriate $100,000 with resources from the FY 2012 General Fund Reserve for Contingencies to prevent further reductions in services provided by the Greater Lynchburg Transit Company (GLTC).

SUMMARY: There are two issues facing the City related to GLTC's finances: a projected deficit in the FY 2012 Budget, and how to deal with GLTC's cumulative deficit which indicates an ongoing structural imbalance in its operating budget. This matter is on Council's agenda as a result of a request from the GLTC Board for assistance in addressing the first, more immediate matter of the projected FY 2012 shortfall.

After the approval of GLTC's FY 2012 Operating Budget of $7,049,104, with a City Share of $1,143,714, GLTC learned it would receive less federal and State aid than budgeted. GLTC also updated some expenses, particularly fuel, to reflect the most current information. As a result of these actions, GLTC's projected FY 2012 operating budget is now projected to have a shortfall of $374,447 unless action is taken.

In the larger context, GLTC ended FY 2010 with a deficit of $153,780 and ended FY 2011 with a deficit of $352, 716, resulting in a cumulative deficit, as reported in their most recent audit, of $506,496. GLTC has been funding its deficits through a combination of additional funds from the City and a commercial line of credit. As of June 30, 2011, GLTC owed $377,166 on its line of credit.

To address these issues, the GLTC Board of Directors directed staff to present options to balance the FY 2012 Budget and to begin to pay down the commercial line of credit by $50,000 in FY 2012. The decision to pay down the line of credit, added to the projected operating shortfall, would result in a projected end of FY 2012 deficit of $424,447. Without action to address this situation, the cumulative GLTC deficit at the end of FY 2012 could be $930,973. Clearly, this is not sustainable.

After holding two public hearings, at which many customers urged GLTC to minimize any service reductions even if it required a fare increase, the Board, at its August 31 meeting, directed staff to take the following steps to balance the FY 2012 budget:

- Increase fares by 33%, with an estimated revenue increase of $122,922
- Cut Administrative/Support staff and programs, saving $125,415
- Reduce Night Service by 1 hour, saving $76,110
- Seek additional City operating funds, totaling $100,000

If the City is unable to fund the request, GLTC will make additional cuts in service, including a combination of weekday and night service or Sunday service reductions.

GLTC notes that transit funding should be viewed as an investment, as demonstrated in a recent economic impact study which determined that GLTC's local benefit to funding cost is 7.6 to 1. A copy of that study is attached for reference. Nevertheless, this investment needs to have sustainable operating funding in order to maintain a desirable or acceptable level of service to the community.

PRIOR ACTION(S): September 27, 2011 Finance Committee; GLTC Informational Memo to Council on August 8, 2011

FISCAL IMPACT: A one-time payment of $100,000 is needed from the FY 2012 General Fund Reserve for Contingencies to balance the FY 2012 budget. There needs to be a discussion on how to resolve GLTC's ongoing shortfalls and cumulative deficit within the context of service expectations and available resources.

CONTACT(S): Michael J. Carroll, General Manager of GLTC, 455-5084

ATTACHMENT(S): Resolution; "The Economic Impact of the Greater Lynchburg Transit Company on the Lynchburg, Virginia Region" Jack Faucett Associates, Inc., February 15, 2010 – Fact Sheet and Full Report

REVIEWED BY: lkp

RESOLUTION:

BE IT RESOLVED that the FY 2012 General Fund budget is amended and $100,000 is appropriated with resources from the FY 2012 General Fund Reserve for Contingencies to prevent further reductions in services provided by the Greater Lynchburg Transit Company (GLTC).

Introduced: Adopted:

Certified: ______________________________
Clerk of Council

Greater Lynchburg Transit Company

1301 Kemper Street
PO Box 797
Lynchburg, VA 24505
434.455.5080
434.847.8621 (Fax)
www.GLTConline.com

October 6, 2011

Mayor Joan Foster and Members of Council

Dear Madam Mayor and Honorable Members of Council:

At your direction, GLTC is providing the following information in response to your questions from the September 27, 2011 Council meeting:

1. *Should GLTC receive an additional $100,000 in the current fiscal year, how would it be specifically spent?* As stated previously, these funds would be used to forestall additional service reductions. Specifically, the $100,000 would be allocated as follows:

    a. $64,206 for bus operator wages and benefits to maintain fixed-route service at current levels.

    b. $29,151 for bus fuel, tires and maintenance expenditures to maintain fixed-route service at current levels.

    c. $6,643 for liability insurance to maintain fixed route service at current levels.

2. *What are the consequences and/or other options GLTC would consider if the additional funding is not forthcoming?* As stated previously, GLTC would initiate another round of service cuts. Because of Federal public notice requirements and internal scheduling procedures, these reductions would have to take effect with the new calendar year. Among services to be considered by the Board would be:

    a. Elimination of Sunday service (estimated savings of $55,142).

    b. Reduction of Route 8/11 service (serving Old Forest Road, Lakeside Drive and Lynchburg General Hospital and Langhorne Road) by eliminating the extra bus placed into service during peak service hours in the morning and afternoon which provides 30 minute service instead of the base 60 minute service (estimated savings of $29,045).

    c. Elimination of Route 10 (providing 60 minute service between the Plaza and Downtown via 5th Street on weekdays) and reduce Route 9 service (providing 60 minute service to Odd Fellows road on weekdays) to morning and afternoon service only (estimated savings of $36,263).

    d. Reduce service on weekends by reducing the frequency of all routes to 120 minutes. Management would not recommend this option, as it violates GLTC and nationally recognized service standards. It would place all weekend service at a level “F” as defined in the *Transit Capacity and Quality of Service Manual, 2nd edition*. However, we list it here in deference to Board Member Christian DePaul who has suggested this option as a solution. “F” level transit service is cited in the *Manual* as “unattractive to all riders…and entails highly creative planning or considerable wasted time on the part of passengers.” Essentially, it provides transit service in name only (estimated savings of $116,131).

e. There are no additional items in the administrative budget that can be reduced or cut that have not already been implemented or programmed for implementation this fiscal year.

3. *Please provide quarterly financial statements.* GLTC has been sending summary Board packets to the Deputy City Manager per her request, since she retired from the Board. We apologize if you had not been receiving them. Attached are the June, July and August 2011 Statements. June is the last month of fiscal year 2011; July and August are the first two months of fiscal year 2012; as of this writing, the September statement is being completed. GLTC will provide quarterly or monthly statements directly to Council going forward. If you would like additional statements besides these, please let us know and we will be glad to provide them to you.

4. *What is GLTC's plan for addressing the "structural" deficit?* The current cumulative deficit, reflected in the annual independent audit report in Note 5 (page 10), is $505,496. As of this writing, GLTC's plan to address this matter, independent of any action of the City, is to set aside a modest restricted reserve (budgeted in FY12 at $50,000), and incrementally pay down the cumulative deficit (financed by a commercial line of credit) going forward. GLTC notes that the City's Finance Director, in her report to Council last August, recommended the creation of a reserve fund; we intend to work closely with City staff on this recommendation for later consideration by Council.

5. *Please provide the Independent Audit.* The independent audit, completed by Brown, Edwards and Company is attached. GLTC's annual audit has always been provided to the City's finance department as part of the City's annual audit.

Sincerely,

Lisa Dibble
President

c: GLTC Board of Directors

Michael Carroll, GLTC General Manager

Kim Payne, City Manager

Bonnie Svrcek, Deputy City Manager

Central VA Transit Management Company Inc.
Statement of Revenue and Expenses
June FY 2011

Current Month Actual	Current Month Budget	Current Month Variance	Summary CVTMCI	Year to Date Actual	Year to Date Budget	Year to Date Variance
			OPERATING AND OTHER REVENUES			
			PASSENGER REVENUES			
$ 112,383	$ 72,450	$ 39,933	Fixed Route Transit Passenger	$ 989,521	$ 869,400	$ 120,121
18,602	5,833	12,768	Demand Response Passenger	68,733	70,000	(1,267)
$ 130,985	$ 78,283	$ 52,701	Total Passenger Revenue	$ 1,058,254	$ 939,400	$ 118,854
			OTHER INCOME			
$ 63,758	$ 123,686	$ (59,928)	Liberty University Revenue	$ 1,349,120	$ 1,484,230	$ (135,110)
(11,641)	4,787	(16,428)	Other Contract Revenue	27,544	57,441	(29,896)
1,968	2,083	(115)	Non-Operating Revenue	43,723	25,000	18,723
3,340	6,667	(3,327)	Advertising Revenue	54,631	80,000	(25,370)
$ 57,425	$ 137,223	$ (79,798)	Total Other Income	$ 1,475,018	$ 1,646,670	$ (171,652)
			OPERATING ASSISTANCE			
$ 575,715	$ 94,074	$ 481,641	City of Lynchburg	$ 1,753,600	$ 1,128,888	$ 624,712
3,811	-	3,811	County Operating Assistance	45,735	-	45,735
80,630	78,210	2,420	State Operating Assistance	938,785	938,519	266
148,066	152,736	(4,670)	Federal Operating Assistance	1,823,492	1,832,832	(9,340)
$ 808,223	$ 325,020	$ 483,203	Total Assistance	$ 4,561,612	$ 3,900,239	$ 661,373
$ 996,632	$ 540,526	$ 456,106	**TOTAL REVENUES**	$ 7,094,884	$ 6,486,309	$ 608,575

Central VA Transit Management Company Inc.
Statement of Revenue and Expenses
June FY 2011

Current Month Actual	Current Month Budget	Current Month Variance	Summary CVTMCI	Year to Date Actual	Year to Date Budget	Year to Date Variance
			OPERATING EXPENSES			
$ 101,035	$ 135,461	$ (34,426)	Operators' Salaries & Wages	$ 1,893,859	$ 1,625,530	$ 268,330
115,141	106,532	8,609	Other Salaries & Wages	1,260,466	1,278,388	(17,923)
216,176	241,993	(25,817)	Total Salaries & Wages	3,154,325	2,903,918	250,407
136,398	126,619	9,779	Fringe Benefits	1,604,325	1,519,429	84,896
52,564	32,791	19,773	Services	380,572	393,489	(12,917)
			Materials & Supplies			
66,942	49,211	17,732	Fuel & Lubricants	832,444	590,526	241,918
3,059	4,583	(1,525)	Tires & Tubes	51,227	55,000	(3,773)
57,645	42,191	15,455	Other Materials	469,706	506,287	(36,580)
127,646	95,984	31,662	Total Materials & Supplies	1,353,377	1,151,813	201,564
17,071	6,910	10,161	Utilities	88,809	82,920	5,889
81,104	30,455	50,649	Casualty & Liability	380,746	365,455	15,291
12,920	5,774	7,146	Miscellaneous	132,730	69,285	63,445
$ 643,880	$ 540,526	$ 103,354	**TOTAL EXPENSES**	$ 7,094,884	$ 6,486,309	$ 608,575
$ 352,753	$ -	$ 352,753	**NET INCOME/(LOSS)**	$ -	$ -	$ -

Central VA Transit Management Company Inc.
Statement of Revenue and Expenses
June FY 2011

Current Month Actual	Current Month Budget	Current Month Variance	Fixed Route Transit	Year to Date Actual	Year to Date Budget	Year to Date Variance
$ 71,452	$ 120,227	$ (48,775)	Operators' Salaries & Wages	$ 1,598,331	$ 1,442,730	$ 155,601
28,122	23,670	4,452	Other Salaries & Wages	284,285	284,037	247
$ 99,574	$ 143,897	$ (44,323)	Total Salaries & Wages	$ 1,882,615	$ 1,726,767	$ 155,848
66,695	75,292	(8,597)	Fringe Benefits	957,519	903,504	54,016
-	-	-	Services	-	-	-
			Materials & Supplies			
54,612	45,274	9,338	Fuel & Lubricants	741,094	543,284	197,810
3,059	4,104	(1,045)	Tires & Tubes	46,187	49,245	(3,058)
6,667	4,167	2,501	Other Materials	95,557	50,000	45,557
64,338	53,544	10,794	Total Materials & Supplies	882,837	642,529	240,308
10,874	-	10,874	Utilities	33,353	-	33,353
74,183	27,521	46,662	Casualty & Liability	332,583	330,254	2,329
6,989	750	6,239	Miscellaneous	46,732	9,000	37,732
$ 322,654	$ 301,005	$ 21,649	**Total Expenses**	$ 4,135,640	$ 3,612,055	$ 523,585

Central VA Transit Management Company Inc.
Statement of Revenue and Expenses
June FY 2011

Current Month Actual	Current Month Budget	Current Month Variance	Demand Response Transit	Year to Date Actual	Year to Date Budget	Year to Date Variance
$ 29,583	$ 15,233	$ 14,349	Operators' Salaries & Wages	$ 295,529	$ 182,800	$ 112,729
2,596	1,908	687	Other Salaries & Wages	25,209	22,900	2,309
$ 32,178	$ 17,142	$ 15,037	Total Salaries & Wages	$ 320,738	$ 205,700	$ 115,038
18,964	8,969	9,995	Fringe Benefits	163,131	107,629	55,502
-	-	-	Services	-	-	-
			Materials & Supplies			
6,619	3,937	2,682	Fuel & Lubricants	90,373	47,242	43,131
-	480	(480)	Tires & Tubes	5,040	5,755	(715)
692	-	692	Other Materials	3,791	-	3,791
7,311	4,416	2,895	Total Materials & Supplies	99,204	52,997	46,207
-	-	-	Utilities	-	-	-
3,904	2,165	1,739	Casualty & Liability	18,194	25,986	(7,791)
41	-	41	Miscellaneous	86	-	86
$ 62,399	$ 32,693	$ 29,706	Total Expenses	$ 601,353	$ 392,312	$ 209,041

Central VA Transit Management Company Inc.
Statement of Revenue and Expenses
June FY 2011

Current Month					Year to Date		
Actual	Budget	Variance	**Vehicle Maintenance**	Actual	Budget	Variance
65,340	$ 61,601	$ 3,739	Salaries & Wages	$ 726,990	$ 739,213	$ (12,224)
39,189	32,232	6,957	Fringe Benefits	369,755	386,782	(17,027)
-	-	-	Services	-	-	-
			Materials & Supplies			
5,711	-	5,711	Fuel & Lubricants	977	-	977
-	-	-	Tires & Tubes	-	-	-
47,370	35,497	11,873	Other Materials	322,576	425,958	(103,382)
53,081	35,497	17,584	Total Materials & Supplies	323,553	425,958	(102,405)
-	-	-	Casualty & Liability	-	-	-
-	-	-	Miscellaneous	-	-	-
$ 157,609	$ 129,329	$ 28,280	**Total Expenses**	$ 1,420,298	$ 1,551,953	$ (131,656)

Central VA Transit Management Company Inc.
Statement of Revenue and Expenses
June FY 2011

Current Month Actual	Current Month Budget	Current Month Variance	General Administration	Year to Date Actual	Year to Date Budget	Year to Date Variance
$ 19,084	$ 19,353	$ (270)	Salaries & Wages	$ 223,982	$ 232,238	$ (8,255)
11,551	10,126	1,424	Fringe Benefits	113,920	121,515	(7,595)
52,564	32,791	19,773	Services	380,572	393,489	(12,917)
			Materials & Supplies			
-	-	-	Fuel & Lubricants	-	-	-
-	-	-	Tires & Tubes	-	-	-
2,917	2,527	389	Other Materials	47,783	30,328	17,455
2,917	2,527	389	Total Materials & Supplies	47,783	30,328	17,455
6,197	6,910	(713)	Utilities	55,456	82,920	(27,464)
3,016	768	2,248	Casualty & Liability	29,968	9,215	20,753
5,890	5,024	866	Miscellaneous	85,912	60,285	25,627
$ 101,218	$ 77,499	$ 23,719	Total Expenses	$ 937,593	$ 929,989	$ 7,604

Central VA Transit Management Company Inc.
Statement of Revenue and Expenses
July FY 2012

Current Month Actual	Current Month Budget	Current Month Variance	Summary CVTMCI	Year to Date Actual	Year to Date Budget	Year to Date Variance
			OPERATING AND OTHER REVENUES			
			PASSENGER REVENUES			
$ 75,487	$ 82,635	$ (7,148)	Fixed Route Transit Passenger	$ 75,487	$ 82,635	$ (7,148)
6,708	8,160	(1,452)	Demand Response Passenger	6,708	8,160	(1,452)
$ 82,195	$ 90,795	$ (8,600)	Total Passenger Revenue	$ 82,195	$ 90,795	$ (8,600)
			OTHER INCOME			
$ 82,978	$ 101,800	$ (18,823)	Liberty University Revenue	$ 82,978	$ 101,800	$ (18,823)
663	9,498	(8,836)	Other Contract Revenue	663	9,498	(8,836)
236	2,083	(1,847)	Non-Operating Revenue	236	2,083	(1,847)
5,578	5,417	161	Advertising Revenue	5,578	5,417	161
$ 89,454	$ 118,798	$ (29,344)	Total Other Income	$ 89,454	$ 118,798	$ (29,344)
			OPERATING ASSISTANCE			
$ 95,310	$ 103,643	$ (8,333)	City of Lynchburg	$ 95,310	$ 103,643	$ (8,333)
4,791	4,791	-	County Operating Assistance	4,791	4,791	-
96,666	97,083	(417)	State Operating Assistance	96,666	97,083	(417)
154,395	154,395	-	Federal Operating Assistance	154,395	154,395	-
$ 351,162	$ 359,912	$ (8,750)	Total Assistance	$ 351,162	$ 359,912	$ (8,750)
$ 522,811	$ 569,505	$ (46,694)	**TOTAL REVENUES**	$ 522,811	$ 569,505	$ (46,694)

Central VA Transit Management Company Inc.
Statement of Revenue and Expenses
July FY 2012

Current Month Actual	Current Month Budget	Current Month Variance	Summary CVTMCI	Year to Date Actual	Year to Date Budget	Year to Date Variance
			OPERATING EXPENSES			
$ 115,807	$ 134,950	$ (19,142)	Operators' Salaries & Wages	$ 115,807	$ 134,950	$ (19,142)
99,009	97,942	1,068	Other Salaries & Wages	99,009	97,942	1,068
214,817	232,891	(18,075)	Total Salaries & Wages	214,817	232,891	(18,075)
81,781	149,351	(67,570)	Fringe Benefits	81,781	149,351	(67,570)
32,804	32,607	197	Services	32,804	32,607	197
			Materials & Supplies			
73,373	70,386	2,987	Fuel & Lubricants	73,373	70,386	2,987
2,245	4,587	(2,342)	Tires & Tubes	2,245	4,587	(2,342)
22,216	37,821	(15,605)	Other Materials	22,216	37,821	(15,605)
97,834	112,794	(14,960)	Total Materials & Supplies	97,834	112,794	(14,960)
7,273	6,910	363	Utilities	7,273	6,910	363
31,714	27,536	4,178	Casualty & Liability	31,714	27,536	4,178
6,775	3,249	3,525	Miscellaneous	6,775	3,249	3,525
$ 472,997	$ 565,339	$ (92,342)	**TOTAL EXPENSES**	$ 472,997	$ 565,339	$ (92,342)
$ 4,167	$ 4,167	$ 0	Reserve Transfer	$ 4,167	$ 4,167	$ 0
$ 45,647	$ -	$ 45,647	**NET INCOME/(LOSS)**	$ 45,647	$ -	$ 45,647

Central VA Transit Management Company Inc.
Statement of Revenue and Expenses
July FY 2012

Current Month Actual	Current Month Budget	Current Month Variance	Fixed Route Transit	Year to Date Actual	Year to Date Budget	Year to Date Variance
$ 91,273	$ 114,351	$ (23,078)	Operators' Salaries & Wages	$ 91,273	$ 114,351	$ (23,078)
22,229	18,303	3,925	Other Salaries & Wages	22,229	18,303	3,925
$ 113,502	$ 132,655	$ (19,153)	Total Salaries & Wages	$ 113,502	$ 132,655	$ (19,153)
43,210	85,130	(41,920)	Fringe Benefits	43,210	85,130	(41,920)
-	-	-	Services	-	-	-
			Materials & Supplies			
52,648	65,992	(13,344)	Fuel & Lubricants	52,648	65,992	(13,344)
2,245	4,587	(2,342)	Tires & Tubes	2,245	4,587	(2,342)
6,928	2,667	4,261	Other Materials	6,928	2,667	4,261
61,821	73,246	(11,425)	Total Materials & Supplies	61,821	73,246	(11,425)
3,417	1,667	1,750	Utilities	3,417	1,667	1,750
28,202	24,515	3,688	Casualty & Liability	28,202	24,515	3,688
3,977	-	3,977	Miscellaneous	3,977	-	3,977
$ 254,129	$ 317,212	$ (63,083)	Total Expenses	$ 254,129	$ 317,212	$ (63,083)

Central VA Transit Management Company Inc.
Statement of Revenue and Expenses
July FY 2012

Current Month Actual	Current Month Budget	Current Month Variance	Demand Response Transit	Year to Date Actual	Year to Date Budget	Year to Date Variance
$ 24,535	$ 20,599	$ 3,936	Operators' Salaries & Wages	$ 24,535	$ 20,599	$ 3,936
7,278	4,552	2,726	Other Salaries & Wages	7,278	4,552	2,726
$ 31,812	$ 25,150	$ 6,662	Total Salaries & Wages	$ 31,812	$ 25,150	$ 6,662
12,111	16,429	(4,318)	Fringe Benefits	12,111	16,429	(4,318)
-	-	-	Services	-	-	-
			Materials & Supplies			
12,450	4,393	8,057	Fuel & Lubricants	12,450	4,393	8,057
-	-	-	Tires & Tubes	-	-	-
-	-	-	Other Materials	-	-	-
12,450	4,393	8,057	Total Materials & Supplies	12,450	4,393	8,057
-	-	-	Utilities	-	-	-
1,484	2,606	(1,122)	Casualty & Liability	1,484	2,606	(1,122)
-	-	-	Miscellaneous	-	-	-
$ 57,858	$ 48,578	$ 9,280	Total Expenses	$ 57,858	$ 48,578	$ 9,280

Central VA Transit Management Company Inc.
Statement of Revenue and Expenses
July FY 2012

Current Month Actual	Current Month Budget	Current Month Variance	Vehicle Maintenance	Year to Date Actual	Year to Date Budget	Year to Date Variance
58,149	$ 56,605	$ 1,545	Salaries & Wages	$ 58,149	$ 56,605	$ 1,545
22,138	35,844	(13,707)	Fringe Benefits	22,138	35,844	(13,707)
-	-	-	Services	-	-	-
			Materials & Supplies			
8,274	-	8,274	Fuel & Lubricants	8,274	-	8,274
-	-	-	Tires & Tubes	-	-	-
14,193	30,948	(16,755)	Other Materials	14,193	30,948	(16,755)
22,467	30,948	(8,481)	Total Materials & Supplies	22,467	30,948	(8,481)
-	-	-	Casualty & Liability	-	-	-
-	-	-	Miscellaneous	-	-	-
$ 102,754	$ 123,397	$ (20,643)	Total Expenses	$ 102,754	$ 123,397	$ (20,643)

Central VA Transit Management Company Inc.
Statement of Revenue and Expenses
July FY 2012

Current Month												Year to Date					
Actual		Budget		Variance		General Administration	Actual		Budget		Variance	
$	11,353	$	18,482	$	(7,129)	Salaries & Wages	$	11,353	$	18,482	$	(7,129)
	4,322		11,948		(7,626)	Fringe Benefits		4,322		11,948		(7,626)
	32,804		32,607		197	Services		32,804		32,607		197
						Materials & Supplies						
	-		-		-	Fuel & Lubricants		-		-		-
	-		-		-	Tires & Tubes		-		-		-
	1,096		4,207		(3,111)	Other Materials		1,096		4,207		(3,111)
	1,096		4,207		(3,111)	Total Materials & Supplies		1,096		4,207		(3,111)
	3,856		5,243		(1,388)	Utilities		3,856		5,243		(1,388)
	2,028		415		1,612	Casualty & Liability		2,028		415		1,612
	2,797		3,249		(452)	Miscellaneous		2,797		3,249		(452)
$	58,256	$	76,152	$	(17,896)	Total Expenses	$	58,256	$	76,152	$	(17,896)

Central VA Transit Management Company Inc.
Statement of Revenue and Expenses
August FY 2012

Current Month Actual	Current Month Budget	Current Month Variance	Summary CVTMCI	Year to Date Actual	Year to Date Budget	Year to Date Variance
			OPERATING AND OTHER REVENUES			
			PASSENGER REVENUES			
$ 90,249	$ 82,635	$ 7,615	Fixed Route Transit Passenger	$ 165,736	$ 165,270	$ 467
5,898	8,160	(2,263)	Demand Response Passenger	12,605	16,320	(3,715)
$ 96,147	$ 90,795	$ 5,352	Total Passenger Revenue	$ 178,342	$ 181,590	$ (3,248)
			OTHER INCOME			
$ 86,266	$ 101,800	$ (15,534)	Liberty University Revenue	$ 169,244	$ 203,601	$ (34,357)
1,014	9,498	(8,485)	Other Contract Revenue	1,676	18,996	(17,320)
1,232	2,083	(852)	Non-Operating Revenue	1,468	4,167	(2,699)
8,461	5,417	3,044	Advertising Revenue	14,039	10,833	3,206
$ 96,972	$ 118,798	$ (21,826)	Total Other Income	$ 186,426	$ 237,597	$ (51,170)
			OPERATING ASSISTANCE			
$ 95,310	$ 103,643	$ (8,333)	City of Lynchburg	$ 190,619	$ 207,286	$ (16,667)
4,791	4,791	-	County Operating Assistance	9,582	9,582	-
96,666	97,083	(417)	State Operating Assistance	193,333	194,166	(833)
154,395	154,395	-	Federal Operating Assistance	308,791	308,791	-
$ 351,162	$ 359,912	$ (8,750)	Total Assistance	$ 702,324	$ 719,824	$ (17,500)
$ 544,281	$ 569,505	$ (25,224)	**TOTAL REVENUES**	$ 1,067,092	$ 1,139,011	$ (71,918)

Central VA Transit Management Company Inc.
Statement of Revenue and Expenses
August FY 2012

Current Month Actual	Current Month Budget	Current Month Variance	Summary CVTMCI	Year to Date Actual	Year to Date Budget	Year to Date Variance
			OPERATING EXPENSES			
$ 125,253	$ 134,950	$ (9,696)	Operators' Salaries & Wages	$ 241,061	$ 269,899	$ (28,838)
115,655	97,942	17,713	Other Salaries & Wages	214,664	195,883	18,780
240,908	232,891	8,017	Total Salaries & Wages	455,725	465,782	(10,058)
132,659	149,351	(16,692)	Fringe Benefits	214,440	298,702	(84,262)
33,101	32,607	494	Services	65,904	65,214	690
			Materials & Supplies			
78,573	70,386	8,187	Fuel & Lubricants	151,946	140,772	11,174
2,251	4,587	(2,336)	Tires & Tubes	4,497	9,174	(4,677)
29,806	37,821	(8,015)	Other Materials	52,022	75,643	(23,620)
110,631	112,794	(2,163)	Total Materials & Supplies	208,465	225,588	(17,123)
6,246	6,910	(664)	Utilities	13,518	13,820	(302)
(1,500)	27,536	(29,036)	Casualty & Liability	30,214	55,072	(24,858)
(821)	3,249	(4,070)	Miscellaneous	5,953	6,499	(545)
$ 521,223	$ 565,339	$ (44,116)	**TOTAL EXPENSES**	$ 994,220	$ 1,130,678	$ (136,458)
$ 4,167	$ 4,167	$ 0	Reserve Transfer	$ 8,334	$ 8,333	$ 1
$ 18,891	$ -	$ 18,891	**NET INCOME/(LOSS)**	$ 64,538	$ -	$ 64,538

Central VA Transit Management Company Inc.
Statement of Revenue and Expenses
August FY 2012

Current Month Actual	Current Month Budget	Current Month Variance	Fixed Route Transit	Year to Date Actual	Year to Date Budget	Year to Date Variance
$ 97,109	$ 114,351	$ (17,242)	Operators' Salaries & Wages	$ 188,382	$ 228,702	$ (40,320)
20,640	18,303	2,337	Other Salaries & Wages	42,869	36,607	6,262
$ 117,749	$ 132,655	$ (14,905)	Total Salaries & Wages	$ 231,251	$ 265,309	$ (34,058)
65,604	85,130	(19,526)	Fringe Benefits	108,815	170,260	(61,446)
-	-	-	Services	-	-	-
			Materials & Supplies			
65,481	65,992	(511)	Fuel & Lubricants	118,129	131,985	(13,856)
2,251	4,587	(2,336)	Tires & Tubes	4,497	9,174	(4,677)
9,430	2,667	6,763	Other Materials	16,358	5,333	11,024
77,162	73,246	3,916	Total Materials & Supplies	138,983	146,492	(7,509)
2,896	1,667	1,229	Utilities	6,312	3,333	2,979
-	24,515	(24,515)	Casualty & Liability	28,202	49,030	(20,827)
(1,563)	-	(1,563)	Miscellaneous	2,414	-	2,414
$ 261,848	$ 317,212	$ (55,364)	Total Expenses	$ 515,977	$ 634,424	$ (118,447)

Central VA Transit Management Company Inc.
Statement of Revenue and Expenses
August FY 2012

Current Month Actual	Current Month Budget	Current Month Variance	Demand Response Transit	Year to Date Actual	Year to Date Budget	Year to Date Variance
$ 28,144	$ 20,599	$ 7,546	Operators' Salaries & Wages	$ 52,679	$ 41,197	$ 11,482
5,236	4,552	684	Other Salaries & Wages	12,514	9,103	3,411
$ 33,380	$ 25,150	$ 8,230	Total Salaries & Wages	$ 65,192	$ 50,300	$ 14,892
18,565	16,429	2,136	Fringe Benefits	30,676	32,857	(2,181)
-	-	-	Services	-	-	-
			Materials & Supplies			
13,118	4,393	8,725	Fuel & Lubricants	25,569	8,787	16,782
-	-	-	Tires & Tubes	-	-	-
355	-	355	Other Materials	355	-	355
13,473	4,393	9,080	Total Materials & Supplies	25,923	8,787	17,137
-	-	-	Utilities	-	-	-
-	2,606	(2,606)	Casualty & Liability	1,484	5,212	(3,728)
-	-	-	Miscellaneous	-	-	-
$ 65,418	$ 48,578	$ 16,840	Total Expenses	$ 123,276	$ 97,156	$ 26,120

Central VA Transit Management Company Inc.
Statement of Revenue and Expenses
August FY 2012

Current Month Actual	Current Month Budget	Current Month Variance	Vehicle Maintenance	Year to Date Actual	Year to Date Budget	Year to Date Variance
64,864	$ 56,605	$ 8,259	Salaries & Wages	$ 123,013	$ 113,210	$ 9,804
35,746	35,844	(98)	Fringe Benefits	57,884	71,688	(13,805)
-	-	-	Services	-	-	-
			Materials & Supplies			
(26)	-	(26)	Fuel & Lubricants	8,248	-	8,248
-	-	-	Tires & Tubes	-	-	-
20,494	30,948	(10,454)	Other Materials	34,687	61,895	(27,209)
20,468	30,948	(10,480)	Total Materials & Supplies	42,935	61,895	(18,961)
-	-	-	Casualty & Liability	-	-	-
-	-	-	Miscellaneous	-	-	-
$ 121,078	$ 123,397	$ (2,319)	Total Expenses	$ 223,832	$ 246,793	$ (22,962)

Central VA Transit Management Company Inc.
Statement of Revenue and Expenses
August FY 2012

Current Month					Year to Date		
Actual	Budget	Variance	**General Administration**	Actual	Budget	Variance
$ 24,915	$ 18,482	$ 6,433	Salaries & Wages	$ 36,268	$ 36,964	$ (696)
12,744	11,948	796	Fringe Benefits	17,066	23,896	(6,830)
33,101	32,607	494	Services	65,904	65,214	690
			Materials & Supplies			
-	-	-	Fuel & Lubricants	-	-	-
-	-	-	Tires & Tubes	-	-	-
(472)	4,207	(4,679)	Other Materials	624	8,414	(7,790)
(472)	4,207	(4,679)	Total Materials & Supplies	624	8,414	(7,790)
3,350	5,243	(1,893)	Utilities	7,206	10,487	(3,281)
(1,500)	415	(1,915)	Casualty & Liability	528	831	(303)
742	3,249	(2,507)	Miscellaneous	3,540	6,499	(2,959)
$ 72,879	$ 76,152	$ (3,273)	**Total Expenses**	$ 131,135	$ 152,304	$ (21,169)

GREATER LYNCHBURG TRANSIT COMPANY, INC.

FINANCIAL REPORT

June 30, 2011

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INTRODUCTORY SECTION

GREATER LYNCHBURG TRANSIT COMPANY, INC.

DIRECTORY OF PRINCIPAL OFFICIALS
June 30, 2011

OFFICERS

Lisa Dibble	President
James Mundy	Vice President
Jennifer Martin	Secretary/Treasurer

DIRECTORS

Gregory Daniels	Jan Walker
Geneva Rose	Christian DePaul
Lee Beaumont	

FINANCIAL SECTION

The Financial Section contains the Basic Financial Statements.

BROWN EDWARDS
certified public accountants

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Greater Lynchburg Transit Company, Inc.
Lynchburg, Virginia

We have audited the accompanying basic financial statements, as listed in the table of contents, of the Greater Lynchburg Transit Company, Inc. (the "Company"), a component unit of the City of Lynchburg, Virginia, as of and for the years ended June 30, 2011 and 2010. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of June 30, 2011 and 2010, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 27, 2011 on our consideration of the Company's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Company has not presented a management discussion and analysis that the Governmental Accounting Standards Board (GASB) has determined is necessary to supplement, although not required to be part of, the basic financial statements.

2215 Langhorne Rd. • P.O. Box 10189 • Lynchburg, VA 24501 (24506) • 434-948-9000 • Fax: 434-948-9029 • www.BEcpas.com

Our audit was conducted for the purpose of forming an opinion on the Company's basic financial statements. The accompanying schedules of operating expenses are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the Company's basic financial statements. These schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules are fairly stated in all material respects in relation to the basic financial statements as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Roanoke, Virginia
September 27, 2011

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BASIC FINANCIAL STATEMENTS

GREATER LYNCHBURG TRANSIT COMPANY, INC.

STATEMENTS OF NET ASSETS
June 30, 2011 and 2010

	2011	2010
ASSETS		
Current assets:		
Cash and cash equivalents (Note 2)	$ 14,572	$ 118,040
Accounts receivable		
Federal and local capital grant funds	726,260	-
State aid funds	46,677	38,339
Other receivables	46,609	59,121
Inventories (Note 3)	218,794	219,527
Local share receivable from City of Lynchburg (Note 5)	506,496	153,780
Prepaid expenses	57,174	22,211
Total current assets	1,616,582	611,018
Capital assets (Note 4)	17,333,309	11,520,063
Total assets	18,949,891	12,131,081
LIABILITIES		
Current liabilities:		
Bank overdraft	12,603	28,607
Accounts payable	178,778	33,040
Accounts payable, capital assets	697,568	4,810
Accrued salaries and wages	67,021	139,827
Current portion of compensated absences (Note 7)	30,328	47,054
Line of credit (Note 6)	377,166	213,370
Total current liabilities	1,363,464	466,708
Noncurrent liabilities:		
Other post-employment benefits (Note 10)	35,000	12,000
Compensated absences (Note 7)	65,113	53,033
Total noncurrent liabilities	100,113	65,033
COMMITMENTS AND CONTINGENCIES (Note 8)	-	-
Total liabilities	1,463,577	531,741
NET ASSETS		
Invested in capital assets	17,333,309	11,520,063
Unrestricted	153,005	79,277
Total net assets	$ 17,486,314	$ 11,599,340

GREATER LYNCHBURG TRANSIT COMPANY, INC.

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
Years Ended June 30, 2011 and 2010

	2011	2010
OPERATING REVENUES		
Passenger fares	$ 898,306	$ 853,488
Liberty University universal bus pass	158,206	126,707
Special buses	8,331	8,338
Advertising	54,631	74,695
Registration fees	522	611
Non-transportation revenue	43,201	41,469
Total operating revenues	1,163,197	1,105,308
OPERATING EXPENSES		
Operations	5,948,288	5,270,071
Maintenance	1,562,268	1,566,193
General administration	1,405,106	1,319,792
Total operating expenses	8,915,662	8,156,056
Operating loss	(7,752,465)	(7,050,748)
NONOPERATING REVENUE		
Subsidy of operations – City of Lynchburg (Note 5)	1,764,600	1,309,675
Subsidy of operations – Counties	45,735	53,136
Subsidy of operations – Liberty University	1,370,074	1,318,502
Subsidy of operations – State of Virginia aid for public transportation	933,519	766,769
Subsidy of operations – Federal operating grant	1,823,492	2,052,072
Other grants	5,266	35,748
Miscellaneous revenue (expenses), net	20,870	(2,714)
Loss on disposition of capital assets (Note 4)	(404,048)	(66,069)
Total nonoperating revenue	5,559,508	5,467,119
CAPITAL CONTRIBUTIONS	8,079,931	1,844,700
Change in net assets	5,886,974	261,071
Net assets – beginning at July 1	11,599,340	11,338,269
Net assets – ending at June 30	$ 17,486,314	$ 11,599,340

The Notes to Financial Statements are an integral part of these statements.

GREATER LYNCHBURG TRANSIT COMPANY, INC.

STATEMENTS OF CASH FLOWS
Years Ended June 30, 2011 and 2010

	2011	2010
OPERATING ACTIVITIES		
Cash received from customers	$ 1,175,709	$ 1,066,349
Cash paid to employees	(3,231,777)	(2,901,468)
Cash paid to suppliers for goods and services	(3,839,242)	(3,643,520)
Net cash used in operating activities	(5,895,310)	(5,478,639)
NONCAPITAL FINANCING ACTIVITIES		
Net change in line of credit	163,796	173,385
Subsidies	5,581,632	5,321,265
Net cash provided by noncapital financing activities	5,745,428	5,494,650
CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital contributions received	7,353,671	2,116,079
Purchases of capital assets	(7,412,223)	(2,035,904)
Proceeds from sale of capital assets	84,096	45,965
Miscellaneous receipts (disbursements)	20,870	(2,714)
Net cash provided by capital and related financing activities	46,414	123,426
Net increase (decrease) in cash and cash equivalents	(103,468)	139,437
CASH AND CASH EQUIVALENTS		
Beginning cash and cash equivalents (bank overdraft)	118,040	(21,397)
Ending cash and cash equivalents	$ 14,572	$ 118,040
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES		
Operating loss	$ (7,752,465)	$ (7,050,748)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation	1,803,591	1,504,083
Decrease (increase) in:		
Other receivables	12,512	(38,959)
Prepaid expenses	(34,963)	(4,936)
Inventories	733	38,292
Increase (decrease) in:		
Bank overdraft	(16,004)	28,605
Accounts payable	145,738	4,704
Accrued salaries and wages	(72,806)	12,432
Compensated absences and other post-employment benefits	18,354	27,888
Net cash used in operating activities	$ (5,895,310)	$ (5,478,639)
NON-CASH FINANCING TRANSACTION		
Capital assets acquired through accounts payable at year end	$ 697,568	$ 4,810

Note 1. Summary of Significant Accounting Policies

Organization and purpose:

The Greater Lynchburg Transit Company, Inc. (the "Company") was created in 1974 to serve the greater Lynchburg area with public bus and paratransit transportation. The Company is organized as a not-for-profit stock corporation with the City of Lynchburg (the "City") as the sole stockholder. The capital for the purchase of the Company's assets has been provided by federal, state, and local grants, and the Company is dependent on various operating grants to subsidize operations.

The Company is a component unit of the City. The financial statements include the accounts of the Company and of the Central Virginia Transit Management Company (CVTMC), which has been organized for the purpose of managing the transit system under the direction of the Company's Board of Directors.

Measurement focus and basis of accounting:

The Company's financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the Company's financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. The Company also has the option of following subsequent private-sector guidance, subject to this same limitation. The Company has elected not to follow subsequent private-sector guidance.

The Company distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the Company's principal ongoing operations. The operating revenues of the Company consist primarily of passenger fares and other charges for services. Operating expenses include the cost of vehicle operations, maintenance, and administration expenses. Nonoperating revenues consist primarily of subsidies and grants received from federal, state, local governments, and other entities.

Cash and cash equivalents:

The Company's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities three months or less from the date of acquisition. At times, the Company's cash balances may exceed Federal Deposit Insurance Corporation (FDIC) insurance limits. Management believes that no significant credit risk exists with respect to these balances.

Inventories:

Inventories are valued at the lower of cost or estimated net realizable market value; cost is determined using the average cost method.

(Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Capital assets:

Property acquisitions are recorded at cost and depreciation is computed on the straight-line method over the following estimated useful lives:

Land improvements and buildings	10-25 years
Buses	10-12 years
Vans	4-5 years
Signs, shelters, and terminals	3-20 years
Shop and garage equipment	2-15 years
Office equipment and information systems	4-10 years

Compensated absences:

The Company's policies allow for the accumulation and vesting of limited amounts of vacation leave until termination or retirement. The liability for compensated absences reflects unused leave as of June 30, including applicable employer taxes.

Net assets:

Net assets are the difference between assets and liabilities. Net assets invested in capital assets represents capital assets less accumulated depreciation less any outstanding debt related to the acquisition or improvement of those assets.

Income taxes:

As an instrumentality of the City, the Company is exempt from all federal, state, and local income taxes.

Estimates:

Management uses estimates and assumptions in preparing the financial statements. Actual results could differ from those estimates.

Reclassifications:

Certain amounts have been reclassified in the prior year to conform to the current year presentation.

Note 2. Deposits

All cash of the Company is maintained in accounts covered by the Federal Depository Insurance Corporation (FDIC) or collateralized in accordance with the Virginia Security for Public Deposits Act, Section 2.2-4400 et. seq. of the *Code of Virginia*.

Note 3. Inventories

Inventories consist of the following:

	2011	2010
Parts	$ 172,146	$ 176,711
Diesel fuel, motor oil, and transmission fluid	19,592	24,483
Tires	27,056	18,333
	$ 218,794	$ 219,527

Note 4. Capital Assets

Capital asset activity was as follows:

	2011			
	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, non-depreciable:				
Land	$ 55,031	$ -	$ 1,998	$ 53,033
Construction in progress	294,542	1,383,327	299,034	1,378,835
Total capital assets, non-depreciable	349,573	1,383,327	301,032	1,431,868
Capital assets, depreciable:				
Land improvements and buildings	2,282,563	-	-	2,282,563
Buses and vans	15,196,668	6,618,749	1,239,016	20,576,401
Signs, shelters, and terminals	161,064	23,130	4,963	179,231
Shop and garage equipment	482,579	-	34,463	448,116
Office equipment and information systems	295,779	79,775	12,143	363,411
Total capital assets, depreciable	18,418,653	6,721,654	1,290,585	23,849,722
Less accumulated depreciation for:				
Land improvements and buildings	1,873,770	84,886	-	1,958,656
Buses and vans	4,639,996	1,640,923	1,051,905	5,229,014
Signs, shelters, and terminals	160,909	6,378	4,963	162,324
Shop and garage equipment	367,801	31,844	34,463	365,182
Office equipment	205,687	39,560	12,142	233,105
Total accumulated depreciation	7,248,163	1,803,591	1,103,473	7,948,281
Total capital assets, depreciable, net	11,170,490	4,918,063	187,112	15,901,441
Total capital assets, net	$ 11,520,063	$ 6,301,390	$ 488,144	$ 17,333,309

Note 4. Capital Assets (Continued)

	2010			
	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, non-depreciable:				
Land	$ 55,031	$ -	$ -	$ 55,031
Construction in progress	-	294,542	-	294,542
Total capital assets, non-depreciable	55,031	294,542	-	349,573
Capital assets, depreciable:				
Land improvements and buildings	2,276,456	6,107	-	2,282,563
Buses and vans	16,930,708	1,463,168	3,197,208	15,196,668
Signs, shelters, and terminals	161,064	-	-	161,064
Shop and garage equipment	503,385	58,370	79,176	482,579
Office equipment and information systems	276,822	18,957	-	295,779
Total capital assets, depreciable	20,148,435	1,546,602	3,276,384	18,418,653
Less accumulated depreciation for:				
Land improvements and buildings	1,800,262	73,508	-	1,873,770
Buses and vans	6,368,613	1,356,557	3,085,174	4,639,996
Signs, shelters, and terminals	151,995	8,914	-	160,909
Shop and garage equipment	407,737	39,240	79,176	367,801
Office equipment	179,823	25,864	-	205,687
Total accumulated depreciation	8,908,430	1,504,083	3,164,350	7,248,163
Total capital assets, depreciable, net	11,240,005	42,519	112,034	11,170,490
Total capital assets, net	$ 11,295,036	$ 337,061	$ 112,034	$ 11,520,063

In 2011 and 2010, the Company recognized losses of $105,013 and $66,069, respectively, for the disposal of buses and other equipment. In 2011, the Company also recognized a capital loss of $299,035 for the disposition of certain construction in progress costs that had been incurred with respect to building sites that proved not to be viable.

Note 5. Local Share Amounts Payable to or Receivable from City of Lynchburg

The City's policy is to provide sufficient funds to meet the required local share (level of effort) as defined by the Federal Transit Administration, and is reflected on the accrual basis as the local subsidy of operations. Any deficiency is reflected as a receivable from the City or any surplus as a payable to the City. Activity in this account was as follows:

	2011	2010
Receivable from (payable to) City at beginning of year	$ 153,780	$ (27,011)
Local subsidy of operations	1,764,600	1,309,675
Less cash paid by City	(1,411,884)	(1,128,884)
Receivable from City at end of year	$ 506,496	$ 153,780

Note 6. Line of Credit

The Company has a $500,000 line of credit with a local bank with a rate of LIBOR plus two percent; at June 30, 2011, this rate was 2.69%. The line expires March 1, 2012, and is secured by the property at Kemper Street. The Company paid interest of $6,770 and $2,942 in 2011 and 2010, respectively.

Note 7. Compensated Absences

Following is a summary of changes in compensated absences:

	2011	2010
Beginning balance	$ 100,087	$ 78,199
Increase	119,464	135,016
Decrease	(124,110)	(113,128)
Ending balance	$ 95,441	$ 100,087

Note 8. Commitments and Contingencies

<u>Contingent grant rebate</u>:

Pursuant to receiving certain federal grants, the Company has agreed to use any asset purchased with grant funds for the provision of mass transportation service within its urban area for the asset's useful life. If, during such period the asset is not used in this manner, the Company must remit to the federal government a proportionate amount of the fair market value, if any, of such property.

Note 8. Commitments and Contingencies (Continued)

Management contract:

The Company has engaged First Transit, Inc. to manage its transit system. In 2011, the board approved an automatic one year renewal of the contract with First Transit; future obligations under the renewal consist of $300,034 for 2012. The Company may exercise the remaining series of three one-year renewal options which range in amount from approximately $312,000 to $337,000. Management fees under the contract were $288,494 and $277,398 for 2011 and 2010, respectively. The Company also paid $-0- and $1,125 to First Transit, Inc. for a variety of other services during 2011 and 2010, respectively.

Union contract:

CVTMC has an agreement, which was ratified February 12, 2008, with Local 1493 of the Amalgamated Transit Union, AFL-CIO for the period September 1, 2007 through August 31, 2010, for the services of bus operators and maintenance employees. This was extended until a new agreement was ratified, effective for the period beginning May 28, 2011 through August 31, 2013.

New transfer center:

Subsequent to June 30, 2011 the Company entered into a contract to acquire property for a new transfer center for approximately $1.2 million. The contract is contingent upon the approval of state and federal funding as well as certain environmental matters.

Note 9. Defined Contribution Pension Plan

As part of its union agreement, CVTMC has a defined contribution pension program for all employees. The Company's contribution is four percent of each covered employee's pay. The Company's required and actual contributions for covered union and nonunion employees was $115,254 and $114,523 for 2011 and 2010, respectively. Employees contributed equal amounts through payroll withholding.

Note 10. Other Post-Employment Benefits

Benefits provided:

The Governmental Accounting Standards Board (GASB) Statement No. 45, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* establishes standards for the measurement, recognition, and display of Other Post-Employment Benefits (OPEB) expense and related liabilities in the financial statements. The cost of postemployment healthcare benefits should be associated with the periods in which the cost occurs, rather than in the future years when it will be paid.

Plan description:

The Company provides healthcare, prescription drug, vision benefits, and life insurance to salaried retirees and their dependents. All full time active employees who become disabled or retire directly from the Company and meet the eligibility criteria may participate.

Membership:

The participants at June 30, 2011 consist of 15 active employees; there are two retirees who are currently receiving or are entitled to receive benefits.

(Continued)

Note 10. Other Post-Employment Benefits (Continued)

Funding policy:

In the future, management tentatively intends to fund 50% of the Annual Required Contribution.

Annual other post-employment benefit cost and net OPEB obligation:

For the fiscal year ended June 30, 2011, the Company's annual OPEB cost (expense) of $11,000 was equal to the Annual Required Contribution (ARC). The payment of current health insurance premiums, for retirees resulted in a net OPEB obligation of $35,000 as of June 30, 2011.

	2011	2010
Annual required contribution	$ 22,000	$ 6,000
Adjustment to annual required contribution	2,000	-
Annual OPEB cost	24,000	6,000
Contribution made	1,000	-
Increase in net OPEB obligation	23,000	6,000
Net OPEB obligation – beginning of year	12,000	6,000
Net OPEB obligation – end of year	$ 35,000	$ 12,000

The Company's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2010 and 2011 are as follows.

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
06/30/2010	$ 6,000	0%	$ 12,000
06/30/2011	$ 24,000	4%	$ 35,000

Funded status and funding progress:

The funded status of the plan as of June 30, 2011 was as follows:

Actuarial accrued liability (AAL)	$ 184,000
Actuarial value of plan assets	$ -
Unfunded actuarial accrued liability (UAAL)	$ 184,000
Funded ratio (actuarial value of plan assets/AAL)	0.0%
Covered payroll (active plan members)	$ 557,158
UAAL as a percentage of covered payroll	33%

Note 10. Other Post-Employment Benefits (Continued)

Funded status and funding progress:

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Actuarial methods and assumptions:

The Company's policy is to provide certain post-retirement health care benefits to employees who retire at age 62 until those employees are eligible for Medicare. This benefit is provided only to salaried, non-bargaining unit employees of which there were 15 in 2011. The actuarial amounts disclosed in this Note are based on an actuarial calculation performed as of July 1, 2011.

Note 11. Contract with Liberty University

In August of 2010, the Company entered into an agreement to provide bus service on the campus of Liberty University from August 2010 through May 2011. It also allowed students and employees to ride for free on other Company routes. As part of this and previous agreements, the University paid the Company $1,507,326 in 2011 and $1,445,209 in 2010. In August 2011, the Company entered into a similar contract for August 2011 through May 2012 with which is expected to provide revenues of approximately $1,100,000.

Note 12. Risk Management

The Company is a member of the Virginia Transit Liability Pool, (the "Pool") through which the Company is insured for operational liabilities and for its transit vehicles, in amounts up to $15 million per incident. The Pool is a local government self-insurance pool to which the Company pays an annual premium. The Company insures its other equipment and property through commercial insurance providers. The Company has not reduced its coverage from the prior year, and settlements have not exceeded insurance coverage for the past three years.

SUPPLEMENTAL SCHEDULES

GREATER LYNCHBURG TRANSIT COMPANY, INC.

SCHEDULE OF OPERATING EXPENSES
June 30, 2011

	Operations	Maintenance	General Administration	Total
Labor				
Operators' salaries and wages	$ 1,893,859	$ -	$ -	$ 1,893,859
Other salaries and wages	309,494	726,990	223,982	1,260,466
Total labor	2,203,353	726,990	223,982	3,154,325
Fringe benefits	1,128,334	372,290	114,701	1,615,325
Services				
Management services	-	-	288,494	288,494
Professional and technical services	-	-	19,000	19,000
Contract services	4,140	-	58,833	62,973
Medical services	10,105	-	-	10,105
Total services	14,245	-	366,327	380,572
Materials and supplies				
Diesel fuel	764,742	-	-	764,742
Motor oil	18,339	-	-	18,339
Lubricants and coolants	17,198	-	-	17,198
Gasoline	32,165	-	-	32,165
Tires and tubes	51,227	-	-	51,227
Shop and garage equipment maintenance	-	12,631	-	12,631
Shop and garage building maintenance	-	23,700	-	23,700
Other shop and garage expense	-	-	71,071	71,071
Repair parts for revenue vehicles	-	273,986	-	273,986
Servicing supplies	-	18,447	-	18,447
Transportation administrative supplies	2,271	-	-	2,271
Schedules	22,905	-	-	22,905
Tickets and transfers	9,365	-	-	9,365
General office supplies	-	-	27,618	27,618
Safety and security	-	-	3,778	3,778
Shelters and signs	10,123	-	-	10,123
Total materials and supplies	928,335	328,764	102,467	1,359,566
Utilities				
Light, heat, power, and water	-	-	55,456	55,456
Communications	-	-	33,353	33,353
Total utilities	-	-	88,809	88,809
Insurance				
Premiums for physical damage	-	44,215	-	44,215
Premiums for liability and property damage	-	-	306,562	306,562
Premiums for other insurance	-	-	29,968	29,968
Total insurance	-	44,215	336,530	380,745

(Continued)

GREATER LYNCHBURG TRANSIT COMPANY, INC.

SCHEDULE OF OPERATING EXPENSES
June 30, 2011

	Operations	Maintenance	General Administration	Total
Miscellaneous expenses				
Dues and subscriptions	$ -	$ -	$ 17,067	$ 17,067
Training, local staff	-	-	15,790	15,790
Travel expense, local staff	-	-	27,569	27,569
Travel expense, board	-	-	10,978	10,978
Travel expense, First Transit staff	-	-	2,132	2,132
Advertising	-	-	13,658	13,658
Safety promotion	-	-	2,578	2,578
Registration fees, employees	-	-	2,000	2,000
Registration fees, local staff	-	-	1,285	1,285
Registration fees, board	-	-	1,875	1,875
Other miscellaneous expenses	-	-	31,027	31,027
Total miscellaneous expenses	-	-	125,959	125,959
Interest expense	-	-	6,770	6,770
Total operating expenses before depreciation	4,274,267	1,472,259	1,365,545	7,112,071
Depreciation	1,674,021	90,009	39,561	1,803,591
Total operating expenses	$ 5,948,288	$ 1,562,268	$ 1,405,106	$ 8,915,662

GREATER LYNCHBURG TRANSIT COMPANY, INC.

SCHEDULE OF OPERATING EXPENSES
June 30, 2010

	Operations	Maintenance	General Administration	Total
Labor				
Operators' salaries and wages	$ 1,780,816	$ -	$ -	$ 1,780,816
Other salaries and wages	268,248	696,829	189,895	1,154,972
Total labor	2,049,064	696,829	189,895	2,935,788
Fringe benefits	1,035,832	352,258	95,995	1,484,085
Services				
Management services	-	-	273,645	273,645
Professional and technical services	-	-	24,100	24,100
Contract services	5,794	-	138,856	144,650
Medical services	8,404	-	-	8,404
Total services	14,198	-	436,601	450,799
Materials and supplies				
Diesel fuel	651,450	-	-	651,450
Motor oil	21,106	-	-	21,106
Lubricants and coolants	24,421	-	-	24,421
Gasoline	7,855	-	-	7,855
Tires and tubes	47,897	-	-	47,897
Shop and garage equipment maintenance	-	24,306	-	24,306
Shop and garage building maintenance	-	25,931	-	25,931
Other shop and garage expense	-	-	85,432	85,432
Repair parts for revenue vehicles	-	307,060	-	307,060
Servicing supplies	-	30,182	-	30,182
Transportation administrative supplies	4,418	-	-	4,418
Schedules	10,121	-	-	10,121
Tickets and transfers	8,024	-	-	8,024
General office supplies	-	-	24,954	24,954
Safety and security	-	-	7,777	7,777
Shelters and signs	4,091	-	-	4,091
Total materials and supplies	779,383	387,479	118,163	1,285,025
Utilities				
Light, heat, power, and water	-	-	67,493	67,493
Communications	-	-	33,516	33,516
Total utilities	-	-	101,009	101,009
Insurance				
Premiums for physical damage	-	43,002	-	43,002
Premiums for liability and property damage	-	-	227,438	227,438
Premiums for other insurance	-	-	25,668	25,668
Total insurance	-	43,002	253,106	296,108

(Continued)

GREATER LYNCHBURG TRANSIT COMPANY, INC.

SCHEDULE OF OPERATING EXPENSES
June 30, 2010

	Operations	Maintenance	General Administration	Total
Miscellaneous expenses				
Dues and subscriptions	$ -	$ -	$ 16,157	$ 16,157
Training, local staff	-	-	4,390	4,390
Travel expense, local staff	-	-	24,269	24,269
Travel expense, GLTC Board	-	-	9,374	9,374
Travel expense, First Transit staff	-	-	1,125	1,125
Advertising	-	-	17,624	17,624
Safety promotion	-	-	800	800
Registration fees, employees	-	-	360	360
Registration fees, local staff	-	-	4,240	4,240
Registration fees, board	-	-	3,710	3,710
Other miscellaneous expenses	-	-	14,168	14,168
Total miscellaneous expenses	-	-	96,217	96,217
Interest expense	-	-	2,942	2,942
Total operating expenses before depreciation	3,878,477	1,479,568	1,293,928	6,651,973
Depreciation	1,391,594	86,625	25,864	1,504,083
Total operating expenses	$ 5,270,071	$ 1,566,193	$ 1,319,792	$ 8,156,056

GREATER LYNCHBURG TRANSIT COMPANY, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2011

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Federal Expenditures
Department of Transportation – Federal Transit Administration:		
Virginia Department of Rail and Public Transportation:		
Urbanized Area Formula Program	20.507	$ 1,823,492
Capital Investment Grants	20.500	2,779,655
Capital Investment Grants – ARRA	20.500	4,605,364
		$ 9,208,511

Note to Schedule of Expenditures of Federal Awards: This schedule is prepared on the accrual basis of accounting.

COMPLIANCE SECTION

BROWN EDWARDS
certified public accountants

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Greater Lynchburg Transit Company, Inc.
Lynchburg, Virginia

We have audited the financial statements of the Greater Lynchburg Transit Company, Inc. (the "Company") as of and for the year ended June 30, 2011, and have issued our report thereon dated September 27, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Company's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. **We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as Items 11-1 and 11-2 to be material weaknesses.**

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Company's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on Compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. **The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned costs as Item 11-3.**

We also noted certain other matters that we have reported to management in a separate letter dated September 27, 2011.

The Company's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit Company's response and, accordingly, we express no opinion on it.

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This report is intended solely for the information of management, federal and state awarding agencies, pass-through entities, and the Board of Directors. It is not intended to be, and should not be, used by anyone other than these specified parties.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Roanoke, Virginia
September 27, 2011

BROWNEDWARDS
certified public accountants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Directors
Greater Lynchburg Transit Company, Inc.
Lynchburg, Virginia

Compliance

We have audited the compliance of the Greater Lynchburg Transit Company, Inc. (the "Company") with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that could have a direct and material effect on its major federal program for the year ended June 30, 2011. The Company's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations.* Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Company's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Company's compliance with those requirements.

In our opinion, the Company complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2011. However, the results of our auditing procedures disclosed instances of non-compliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as Items 11-3 and 11-4.

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Internal Control Over Compliance

The management of the Company is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Company's internal control over compliance with requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. **However, as discussed below, we identified a deficiency in internal control over compliance that we consider to be a material weakness.**

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. **We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as Item 11-3 to be a material weakness.**

The Company's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit Company's response and, accordingly, we express no opinion on it.

****

This report is intended for the information of management, federal and state awarding agencies, pass-through entities, and the Board of Directors. It is not intended to be, and should not be, used by anyone other than these specified parties.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Roanoke, Virginia
September 27, 2011

GREATER LYNCHBURG TRANSIT COMPANY, INC.

SUMMARY OF COMPLIANCE MATTERS
June 30, 2011

As more fully described in the Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*, we performed tests of the Company's compliance with certain provisions of the laws, regulations, contracts, and grant agreements shown below.

LOCAL COMPLIANCE MATTERS

Company By-Laws

FEDERAL COMPLIANCE MATTERS

Compliance Supplement for Single Audits of State and Local Governments

Provisions and conditions of agreements related to federal programs selected for testing.

GREATER LYNCHBURG TRANSIT COMPANY, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2011

A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an **unqualified opinion** on the financial statements.
2. **Two material weaknesses** relating to the audit of the financial statements were reported in the Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. **No instances of noncompliance** material to the financial statements were disclosed.
4. **A material weakness** relating to the audit of the major federal award program was reported in the Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133.
5. The auditor's report on compliance for the major federal award program expresses an **unqualified opinion**.
6. The audit disclosed **two audit findings relating to the major program**.
7. The program tested as a major program is:

Federal Transit Administration Grant Cluster:	
Federal Transit Operating Assistance	20.507
Federal Transit Capital Grants	20.500

8. The **threshold for** distinguishing Type A and B programs was **$300,000**.
9. The Company **was not** determined to be a **low-risk auditee**.

B. FINDINGS – FINANCIAL STATEMENT AUDIT

11-1: Monitoring of Cash Balances and Status of Grant Requests (Material Weakness)

Condition:

During the fiscal year the Company experienced cash shortages and at one point unexpectedly over-drafted its checking account. At one point in the year a bank account had not been reconciled for several months. The Company also did not adequately monitor the status of certain grant requests, and did not stay current with its grant accounting during the year.

Recommendation:

Steps should be taken to ensure that cash management tools to monitor cash balances and potential overdrafts at times other than month or year end. Reconciliations should always be performed timely. Outstanding, undrawn grant balances should be monitored and followed up on consistently, and grant revenues should be immediately recorded to appropriate revenue lines as the grant proceeds or receivables are recorded.

Management's Response:

Management has implemented such tools subsequent to year end.

(Continued)

B. FINDINGS – FINANCIAL STATEMENT AUDIT (Continued)

11-2: Quality of Information Provided to Board (Material Weakness)

Condition:

For certain months of the year, the balance sheets provided to the Board of Directors did not contain current information due to a problem with the reporting function of the accounting software.

Recommendation:

Internal reviews of all information provided to the Board should be rigorous, and should identify report errors or other material misstatements prior to presentation to the Board.

Management's Response:

Management concurs with the finding, and has revised its internal review processes and its reports to ensure that the information presented to the Board is free from any errors or misstatements.

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAM AUDIT

11-3: Cash Management Compliance Requirements (Material Weakness)

Condition:

During cash shortages, the Company twice transferred funds between capital and operating accounts. In March 2011, the Company transferred approximately $100,000 from funds that had been received for operating purposes to cover a shortfall in the Company's capital accounts. In June 2011, the Company received $200,000 from a federal capital grant drawdown, but transferred the funds to the Company's operating accounts to cover shortfalls there instead of covering the invoices for which the capital grant draw had been requested. The Company's internal controls over compliance did not alert the appropriate personnel that this had occurred.

Recommendation:

As discussed in Item 11-1, improvements should be made to monitor cash balances and the status of grants. In no case should grant proceeds be used to cover shortfalls in areas not related to that grant. Controls should be in place which would alert senior management if such instances of noncompliance had occurred or were about to occur.

Management's Response:

Management has implemented such tools subsequent to year end.

11-4: Data Collection Form Not Filed Timely

Condition:

The Data Collection Form for the 2010 financial report was not filed timely. As the Company's audit firm our practice has been to initiate this filing, and we appear not to have initiated the filing in a timely manner.

(Continued)

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAM AUDIT (Continued)

11-4: Data Collection Form Not Filed Timely (Continued)

Recommendations:

The Data Collection Form for 2011 should be filed prior to December 31, 2011 or 30 days after the delivery of the 2011 audit, whichever is earlier.

Management and Auditor's Response:

Management and the audit team will ensure that the 2011 filing is timely.

BROWN EDWARDS
certified public accountants

Board of Directors
Greater Lynchburg Transit Company, Inc.
Lynchburg, Virginia

We have audited the financial statements of the Greater Lynchburg Transit Company, Inc. (the "Company") for the year ended June 30, 2011, and have issued our report thereon dated September 27, 2011. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards,* and OMB Circular A-133, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 11, 2011. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Company are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2011. We noted no transactions entered into by the Company during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management's estimate of the useful lives of capital assets is based on management's knowledge and judgment, which is based on history and the period over which the asset is expected to last.
- Estimates regarding obligations for future other post-retirement benefit costs.

We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements include the depreciation of capital assets, other post-retirement benefits, and the commitments, contingency, and contracts disclosures. The disclosure of the depreciation of capital assets is intended to aid the reader in understanding the various useful lives used when capitalizing an asset. The disclosure of commitments, contingency, and contracts is designed to make readers aware of ongoing obligations and responsibilities of the Company. The disclosures related to other post-retirement benefits are to inform readers about future obligations that arise from services provided in the present.

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Significant Audit Findings (Continued)

Difficulties Encountered in Performing the Audit

The audit was complicated somewhat this year by factors that are discussed in the separate management letter, which resulted in additional procedures in certain areas. We encountered no other significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. The following misstatements detected as a result of audit procedures and corrected by management were significant, either individually or in the aggregate, to the Company's financial statements:

- Approximately $38,000 to decrease payables and an offsetting amount to prepaid expenses.
- Approximately $71,000 to increase depreciation expense and accumulated depreciation.
- Approximately $57,000 to decrease payables and record a gain on the sale of a right of way obtained by the City.
- Approximately $200,000 to decrease accounts receivable and increase in intracompany receivable, as part of correcting internal due to/from accounts.

The following adjustments were posted as part of our audit but were expected by management, and we collaborated with management in arriving at the entries.

- Approximately $352,000 increase to the local share receivable from the City of Lynchburg, with an accompanying increase to revenue.
- Approximately $15,000 to decrease inventory to remove obsolete items, with an accompanying increase in expenses.
- Approximately $21,000 to increase revenue and expenses for items reimbursed by Liberty University.
- Approximately $11,000 to increase the other post-employment benefits liability, with an accompanying increase to expenses.
- Approximately $300,000 to decrease capital assets construction in progress with an accompanying increase to the loss on disposition of assets.

Uncorrected misstatements which management has concluded are not material to the financial statements consist of an estimated understatement of the beginning other post-employment benefits liability by approximately $12,000, and an accompanying overstatement of expense.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 27, 2011. These representations are attached.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Company's auditors. However, these discussions occurred in the normal course of our professional relationship, and our responses were not a condition to our retention.

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This information is intended solely for the use of the Board of Directors and management of the Company, and is not intended to be, and should not be, used by anyone other than these specified parties.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Roanoke, Virginia
September 27, 2011

REPRESENTATIONS REQUESTED FROM MANAGEMENT

September 27, 2011

Brown Edwards
Certified Public Accountants
319 McClanahan Street
Roanoke, Virginia 24014

We are providing this letter in connection with your audit of the financial statements of Greater Lynchburg Transit Company ("the Company"), a component unit of the City of Lynchburg, Virginia, including the accounts of Central Virginia Transit Management, as of June 30, 2011 and for the year then ended for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the respective financial position of the Company and the respective changes in financial position and cash flows thereof in conformity with U.S. generally accepted accounting principles. We confirm that we are responsible for the fair presentation of the previously mentioned financial statements in conformity with U.S. generally accepted accounting principles. We are also responsible for adopting sound accounting policies, establishing and maintaining effective internal control over financial reporting, and preventing and detecting fraud.

We confirm, to the best of our knowledge and belief, as of the above date, the following representations made to you during your audit.

1. The financial statements referred to above are fairly presented in conformity with U.S. generally accepted accounting principles and include all required financial information.
2. We have made available to you all –
   a. Financial records and related data and all audit or relevant monitoring reports, if any, received from funding sources.
   b. Minutes of the meetings of the Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
4. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements or the schedule of expenditures of federal awards.
5. We believe the effects of the following uncorrected financial statement misstatement is immaterial to the financial statements: an estimated understatement of other post-employment benefit liabilities of approximately $12,000 at the beginning of the year, and an accompanying overstatement of expenses.
6. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.

7. We have no knowledge of any fraud or suspected fraud affecting the entity involving:
   a. Management,
   b. Employees who have significant roles in internal control, or
   c. Others where the fraud could have a material effect on the financial statements.
8. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, analysts, regulators, or others.
9. We have taken timely and appropriate steps to remedy fraud, illegal acts, violations of provisions of contracts or grant agreements, or abuse that you have reported to us.
10. We have a process to track the status of audit findings and recommendations.
11. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
12. We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
13. The Company has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
14. The following, if any, have been properly recorded or disclosed in the financial statements:
    a. Related party transactions, including revenues, expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties.
    b. Guarantees, whether written or oral, under which the Company is contingently liable.
    c. All accounting estimates that could be material to the financial statements, including the key factors and significant assumptions underlying those estimates and measurements. We believe the estimates and measurements are reasonable in the circumstances.
15. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and we have identified and disclosed to you all laws, regulations, and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
16. There are no –
    a. Violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
    b. Unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed in accordance with generally accepted accounting principles.
    c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by generally accepted accounting principles.

17. As part of your audit, you assisted with preparation of the financial statements and related notes and schedule of expenditures of federal awards. We have designated an individual with suitable skill, knowledge, or experience to oversee your services and have made all management decisions and performed all management functions. We have reviewed, approved, and accepted responsibility for those financial statements and related notes and schedule of expenditures of federal awards.
18. The Company has satisfactory title to all owned assets. Except for as described in footnote 6 to the financial statements, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
19. The Company has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
20. We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
21. Components of net assets (invested in capital assets, net of related debt; restricted; and unrestricted) and equity amounts are properly classified and, if applicable, approved.
22. Provisions for uncollectible receivables have been properly identified and recorded.
23. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
24. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
25. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
26. Deposits and investment securities and derivative transactions are properly classified as to risk and are properly disclosed.
27. Capital assets are properly capitalized, reported, and, if applicable, depreciated.
28. We have appropriately disclosed the Company's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available and have determined that net assets were properly recognized under the policy.
29. With respect to the schedule of operating expenses & schedule of expenditures of federal awards.
    a. We acknowledge our responsibility for presenting the schedule of operating expenses and schedule of expenditures of federal awards in accordance with accounting principles generally accepted in the United States of America, and we believe the schedule of operating expenses and schedule of expenditures of federal awards, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the schedule of operating expenses and schedule of expenditures of federal awards have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
30. We have evaluated the Company's ability to continue as a going concern and have included appropriate disclosures, as necessary, in the financial statements.

31. With respect to federal award programs:

a. We are responsible for understanding and complying with and have complied with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, including requirements relating to preparation of the schedule of expenditures of federal awards.

b. We have prepared the schedule of expenditures of federal awards in accordance with OMB Circular A-133, and have identified and disclosed in the schedule expenditures made during the audit period for all awards provided by federal agencies in the form of grants, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance.

c. We acknowledge our responsibility for presenting the schedule of expenditures of federal awards (SEFA) in accordance with the requirements of OMB Circular A-133 §310.b, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Circular. The methods of measurement and presentation of the SEFA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the SEFA.

d. If the SEFA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

e. We have identified and disclosed to you all of our government programs and related activities subject to OMB Circular A-133.

f. We are responsible for understanding and complying with, and have complied with, the requirements of laws, regulations, and the provisions of contracts and grant agreements related to each of our federal programs and have identified and disclosed to you the requirements of laws, regulations, and the provisions of contracts and grant agreements that are considered to have a direct and material effect on each major program.

g. We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance requirements applicable to federal programs that provides reasonable assurance that we are managing our federal awards in compliance with laws, regulations, and the provisions of contracts and grant agreements that could have a material effect on our federal programs. We believe the internal control system overall is adequate and is functioning as intended, although we acknowledge the findings you have included in your report.

h. We have made available to you all contracts and grant agreements (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.

i. We have received no requests from a federal agency to audit one or more specific programs as a major program.

j. We have complied with the direct and material compliance requirements (except for noncompliance disclosed to you), including when applicable, those set forth in the OMB Circular A-133 Compliance Supplement, relating to federal awards and have identified and disclosed to you all amounts questioned and all known noncompliance with the requirements of federal awards.

k. We have disclosed any communications from grantors and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.

l. We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.

m. Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB Circular A-87, *Cost Principles for State, Local, and Tribal Governments*, and OMB's *Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*.

n. We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.

o. We have made available to you all documentation related to compliance with the direct material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.

p. We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.

q. There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.

r. No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies in internal control over compliance (including material weaknesses in internal control over compliance), have occurred subsequent to the date as of which compliance was audited.

s. Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.

t. The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.

u. We have charged costs to federal awards in accordance with applicable cost principles.

v. We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by OMB Circular A-133 and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.

w. We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by OMB Circular A-133.

x. We are responsible for preparing and implementing a corrective action plan for each audit finding.

32. No events, including instances of noncompliance, have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements or in the schedule of findings and questioned costs.

33. We reaffirm the representations made to you concerning the June 30, 2010 audit noted in our letter dated October 15, 2010.

34. We have reviewed the proposed adjusting journal entries and understand the nature and impact these entries have on our financial statements.

35. With specific regard to the compliance findings you have noted in your report, and accompanying comments on internal control:

    a. We affirm that all grant funds, even if inappropriately drawn or transferred initially, have been ultimately used for their intended and approved purposes.

    b. We affirm that there were no other instances of significant noncompliance other than the two transfers noted in your report and the late filing of the DCF.

Signed: ______________________________
Michael Carroll

Title: ______________________________

Date: ______________________________

Signed: ______________________________
Millicent Martin

Title: ______________________________

Date: ______________________________

Signed: ______________________________
Gloria Berkley

Title: ______________________________

Date: ______________________________

BROWNEDWARDS
certified public accountants

Board of Directors
Greater Lynchburg Transit Company, Inc.
Lynchburg, Virginia

In planning and performing our audit of the financial statements of the Greater Lynchburg Transit Company (the "Company"), as of and for the year ended June 30, 2011, in accordance with auditing standards generally accepted in the United States of America, we considered the Company's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements. Because of an unexpected cash shortfall in June 2011, which raised questions about the Company's fiscal management and accounting practices, we have performed certain additional procedures to understand the underlying causes of these circumstances. However, these procedures were not designed for the purpose of expressing an opinion on the effectiveness of the Company's internal control, and accordingly, we do not express such an opinion. We also were not engaged to perform a fraud investigation, and therefore our responsibility as it relates to fraud is unchanged from that in a financial statement audit performed in accordance with applicable standards. We may not have identified all possible causes of the situation mentioned above.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore there can be no assurance that all such deficiencies have been identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. Certain items in the following report we consider to be material weaknesses, and they have been appropriately identified.

This communication is intended solely for the information and use of management, the Board of Directors, and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

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Monitoring of Cash Balances at Times Other than Year End or Month End (Material Weakness)

In early June 2011, the Company's bank notified staff that the operating cash account was overdrawn and its credit line limit had been reached. At the time of the overdraft, the management team was not using reliable tools to monitor cash balances.

In normal circumstances such tools could consist of merely monitoring the cash general ledger account, ensuring that all postings are consistently and constantly updated, and monitoring any significant deposits in transit that could lead to the bank balance temporarily being less than the general ledger balance. In this case, especially since the finance staff were concerned about cash management by early June, the cash management tools should have involved very frequent bank reconciliations (daily if necessary) and cash inflow/outflow projections.

Ideally, a pending cash overdraft should first be identified via cash inflow/outflow projections, looking as far ahead as reasonably possible. The next opportunity to recognize a pending problem is when preparing to issue checks that could overdraw the account, and controlling the timing of those checks. Neither of these critical control points functioned properly and resulted in a situation where management and the Board did not have time to develop reliable information and make decisions in a thoughtful manner.

We also noted that the "capital" bank account was not being reconciled regularly; for example, the November, December, and January statements were all reconciled on March 10, 2011.

Monitoring of Grant Applications and Status of Reimbursements (Material Weakness)

A contributing factor to the June cash shortage was the fact that a state grant, intended to fund a portion of the Company's capital improvement plan study, was not fully executed in the summer or fall of 2010. We are not fully clear as to whether or not the state may have been partially at fault; however, the Company's staff did not follow up on this timely. The fact that these particular reimbursements were not being received could have been identified some months earlier, and could have contributed as much as $150,000 to the Company's cash accounts by June 2011.

We also noted that not all of the grant revenues appeared to have been properly recorded during the year; at the time of our visits in late June, the finance staff was working to reconcile grant proceeds and receivables with the appropriate revenue accounts. Complicating the matter was the fact that there were at least two transfers between the operating and capital accounts, driven by cash need concerns, for which the accounting did not appear to have been completely evaluated and finalized. (For these transfers, the cash side of the transfers appeared to have been properly recorded, but the other side of the entries was initially recorded in due to/from accounts and not reflected in the appropriate revenue accounts.)

Grant applications, and reimbursements requests need to be monitored regularly throughout the year, and the related accounting should be kept up-to-date.

Quality of Information Provided to GLTC Board (Material Weakness)

We read through the financial information provided in certain of the board packets, and concluded that the quality of the financial information provided to the board was not adequate, although we saw no evidence that it was intentionally inadequate or misleading. Following are some areas where we feel it was deficient:

- The financial statements provided to the board appeared to just include information about Central Virginia Transit Management (one of the "units" of GLTC). We recommend that this information be expanded to include the "capital" side of GLTC. There is much less activity on this side, but we believe this is information that should come before the board regularly.

Quality of Information Provided to GLTC Board (Material Weakness) (Continued)

- We noted that for a number of the months in early 2011, the statement of financial condition presented numbers that were unchanged from the June 30, 2010 statement. This appears to have been due to a "broken" report within the Company's accounting software; however, the fact that this was unnoticed by the Company's staff indicates that a more rigorous review should occur before information is passed on to the Board.
- The information should be in a more clearly understandable format – the categories reported on the statement of financial condition are not consistent with those used at year end.

Internal Communication

Our inquiries indicate inadequate communication within the Company. For example, a transfer from the operating account to the capital account in January 2011 was not discussed with the general manager. Organizations vary in the nature and detail of information shared between different levels of management and the board, but in our judgment, regardless of whether or not the actions taken by staff were appropriate, the general manager probably should have been made aware of this transfer, since it was necessitated by cash needs in the capital account. Later, it was concluded by Company staff that this transfer may have contributed to the overdraft of the operating account.

Reconciliation of Fare Box Receipts

In our previous letters, we have suggested that fare box (GFI) reports be reconciled regularly to cash counts in such a way that each deposit of cash fares would be supported by these reports. Management had implemented, at our suggestion, a spreadsheet which monitored the variances between the GFI reports and the actual cash deposits. In theory, this practice would detect if the amounts varied significantly and should prevent any material theft of cash.

However, we noted that from October 2010 until June 2011, these reconciliations were not completed and reviewed in a timely manner, and were only completed in July 2011. Significant variances were noted for a few of the months, which management believes were related to mechanical issues with the vault. Since the reconciliations were not completed timely, their effectiveness was significantly reduced, and tracing the variances to specific problems is more difficult. We recommend these reconciliations to be completed on at least a monthly basis, if not more frequently.

****

Conclusion

We appreciate the opportunity to be of service to the Company's management and its board, and offer these comments in a constructive light. We will be happy to discuss them with you further.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Lynchburg, Virginia
September 27, 2011

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **October 11, 2011**			AGENDA ITEM NO.: 3
CONSENT:	REGULAR:	WORK SESSION: **X**	CLOSED SESSION: (Confidential)
ACTION: **X**		INFORMATION:	

ITEM TITLE: **Proposed Code Amendment re Truck Prohibitions on City Streets**

RECOMMENDATION: Authorize staff to draft an amendment to the City Code delegating authority to the City Manager to determine truck prohibitions and to post streets as "No Trucks" where appropriate due to cut-thru traffic or physical restraints.

SUMMARY: Section 25-145 of the City Code lists streets closed to trucks. The current list includes 11 routes as follows:

(1) Edgewood Avenue.
(2) Fenwick Drive.
(3) Sheffield Drive.
(4) Burnt Bridge Road.
(5) Indian Hill Road.
(6) Evergreen Road between Indian Hill Road and Hurdle Hill Road.
(7) Hurdle Hill Road between Evergreen Road and Link Road.
(8) Tyreeanna Road from Richmond Highway to Concord Turnpike.
(9) Hood Street between Lakeside Drive and Richmond Street.
(10) College Drive between Lakeside Drive and Breckenbridge Street.
(11) Breckenbridge Street between College Drive and Richmond Street.

It appears from the Code that no truck prohibitions have been added as a code amendment since 1988. Instead, since 1988, staff has acted to prohibit trucks on a number of routes in a manner similar to other traffic management activities performed by staff. There are an additional 12 routes that have truck prohibitions on them that are not in City Code. These are:

(1) Winston Ridge Road
(2) Thurman/Stephenson
(3) Cary Street
(4) Jefferson Street from Washington to Eight Street
(5) 9th Street from Commerce to Jefferson
(6) 8th Street from Commerce to Jefferson
(7) Norwood Street from End to A Street
(8) 13th St, between Church and Court
(9) Dreaming Creek Road
(10) Moreview Dr
(11) Logans Ln
(12) Atlanta Ave

State Code allows the governing body to delegate to the City Manager the authority to take actions on local streets as to regulatory signs such as stop and speed limits. These signs go through a process in Public Works that results in an executive order that is signed by the City Manager for each individual street. The current practice is that truck prohibitions have been treated through the same process as regulatory signs, although there is no clear grant of authority as in other sections of the City Code.

The City Attorney has opined that the authority to post truck prohibitions could be delegated to the City Manager in a manner consistent with other grants of authority. Staff believes that this process would be more manageable and responsive to both need and changing circumstance.

Of the streets that are currently listed in the City Code, some need to be removed as the underlying factor for them being posted is now a non-issue. An example of this is that trucks are no longer using Hood Street, College Drive and Breckenbridge Street as cut-thru's since Mrs. Giles has closed. Others like Moreview Drive and Dreaming Creek Road should be signed since they are cut-thru's from Timberlake Road to Leesville Road, but are not listed in City Code.

This matter has been discussed with the Physical Development Committee and it has agreed with staff's recommendation that the City Code be amended to delegate the authority to establish truck prohibitions to the City Manager. If Council agrees with this recommendation, the appropriate code amendment will be drafted for Council's action at a future meeting.

PRIOR ACTION(S): Discussed with PDC on September 13, 2011.

FISCAL IMPACT: None

CONTACT(S): Kimball Payne – City Manager – 455-3990; Lee Newland – City Engineer – 455-3947; David Owen – Public Works Director - 455-4469

ATTACHMENT(S): Excerpts from the State and City Codes

REVIEWED BY: lkp

158L

Excerpts from the Code of Virginia

§ 46.2-1300. Powers of local authorities generally; erection of signs and markers; maximum penalties.

A. The governing bodies of counties, cities, and towns may adopt ordinances not in conflict with the provisions of this title to regulate the operation of vehicles on the highways in such counties, cities, and towns. They may also repeal, amend, or modify such ordinances and may erect appropriate signs or markers on the highway showing the general regulations applicable to the operation of vehicles on such highways. The governing body of any county, city, or town may by ordinance, or may by ordinance authorize its chief administrative officer to:

1. Increase or decrease the speed limit within its boundaries, provided such increase or decrease in speed shall be based upon an engineering and traffic investigation by such county, city or town and provided such speed area or zone is clearly indicated by markers or signs;

2. Authorize the city or town manager or such officer thereof as it may designate, to reduce for a temporary period not to exceed sixty days, without such engineering and traffic investigation, the speed limit on any portion of any highway of the city or town on which work is being done or where the highway is under construction or repair;

3. Require vehicles to come to a full stop or yield the right-of-way at a street intersection if one or more of the intersecting streets has been designated as a part of the state highway system in a town which has a population of less than 3,500.

B. No such ordinance shall be violated if at the time of the alleged violation the sign or marker placed in conformity with this section is missing, substantially defaced, or obscured so that an ordinarily observant person under the same circumstances would not be aware of the existence of the ordinance.

C. No governing body of a county, city, or town may provide penalties for violating a provision of an ordinance adopted pursuant to this section which is greater than the penalty imposed for a similar offense under the provisions of this title.

D. No county whose roads are under the jurisdiction of the Department of Transportation shall designate, in terms of distance from a school, the placement of flashing warning lights unless the authority to do so has been expressly delegated to such county by the Department of Transportation, in its discretion.

(Code 1950, §§ 46-198, 46-200; 1956, c. 134; 1958, c. 541, § 46.1-180; 1960, c. 172; 1972, c. 522; 1984, c. 345; 1989, c. 727.)

§ 46.2-1301. Designation of stop and yield right-of-way intersections.

The governing body of any county, city, or town operating its own system of roads may by ordinance authorize the city or town manager or some other local officer to designate intersections, other than intersections at which one or more of the intersecting streets have been designated as a part of the state highway system in a town which has a population of less than 3,500, at which vehicles shall come to a full stop or yield the right-of-way. No such ordinance shall be violated if, at the time of the alleged violation the sign or marker placed in conformity with this section is missing or is defaced so that an ordinarily observant person under the same circumstances would not be aware of the existence of the regulation.

(1958, c. 541, § 46.1-180.1; 1989, c. 727.)

§ 46.2-1304. Local regulation of trucks and buses.

The governing bodies of counties, cities, and towns may by ordinance, whenever in their judgment conditions so require:

1. Prohibit the use of trucks, except for the purpose of receiving loads or making deliveries on certain designated streets under their jurisdiction;

2. Restrict the use of trucks passing through the city or town to such street or streets under their jurisdiction as may be designated in such ordinance.

The Cities of Poquoson and Williamsburg may restrict the operation of nonscheduled buses, other than school buses, over designated streets under its jurisdiction.

(Code 1950, § 46-206; 1958, c. 541, § 46.1-181; 1968, c. 463; 1989, c. 727; 1998, cc. 547, 574; 2007, c. 813.)

Excerpts from the City Code

Sec. 25-37. Powers of city manager—Generally.

The city manager shall have general supervision and control of the management and direction of all vehicular and pedestrian traffic and of the parking and routing of vehicles in the interest of the public safety, comfort and convenience not inconsistent with the provisions of Code of Virginia, Title 46.2. The city manager may cause appropriate signs to be erected and maintained, designating residence and business districts, school, hospital and safety zones, highways and railway crossings, arterial streets, arterial stops, turns at intersections, traffic lanes and such other signs as may be necessary to carry out the provisions of this chapter. The City Manager shall have power to regulate the traffic by means of traffic officers or semaphores or other signaling devices on any portion of the highway where traffic is heavy or continuous, or where in his judgment conditions may require, and may prohibit other than one-way traffic upon certain highways, and may regulate the use of the highways by processions and assemblages. The city manager shall have the power to regulate the parking and stopping of vehicles on the public streets including the power to establish restricted parking areas. The city manager may adopt any such regulations not inconsistent with the provisions of this chapter which shall be deemed advisable and necessary, including the repeal, amendment or modification of any such regulations; provided, however, that such regulations, laws or rules shall not be deemed to be violated, if at the time of the alleged violation any sign or designation required under the terms of this chapter is missing, effaced, mutilated or defaced so that an ordinarily observant person under the same circumstances would not be apprised of or aware of the existence of such rule. (Code 1959, § 20-3; Ord. No. O-95-242, 9-12-95)

Cross reference—Manager, § 2-96 et seq.
State law reference—Powers of local authorities generally, Code of Virginia, § 46.2-1300 et seq.

Sec. 25-38. Same—Duties as traffic engineer.

It shall be the general duty of the traffic engineer, to plan and determine the installation and proper timing and maintenance of traffic-control devices and signs; to plan and direct the operation of traffic on the streets of the city, including municipal parking areas; to conduct investigations of traffic conditions; to cooperate with other municipal and state officials and make recommendations for the improvement of traffic movement and conditions, including improvements in streets; and, to carry out the additional powers and duties imposed by ordinances of the city, or as may be directed by the city council and the city manager. (Code 1959, § 20-6)

Sec. 25-145. Streets closed to trucks.

(a) Vehicles prohibited. The use of any street, or portion of street, hereinafter designated, by trucks other than pickup or panel trucks not exceeding an actual gross weight of five thousand (5,000) pounds, except for the purpose of receiving passengers or goods or making deliveries, is prohibited, and the city manager is authorized and directed to erect suitable signs at such places as may be necessary to notify drivers of such vehicles of this prohibition.

(b) Streets where prohibited. The streets upon which such use by such vehicles is prohibited are as follows:

(1) Edgewood Avenue.

(2) Fenwick Drive.

(3) Sheffield Drive.

(4) Burnt Bridge Road.

(5) Indian Hill Road.

(6) Evergreen Road between Indian Hill Road and Hurdle Hill Road.

(7) Hurdle Hill Road between Evergreen Road and Link Road.

(8) Tyreeanna Road from Richmond Highway to Concord Turnpike.

(9) Hood Street between Lakeside Drive and Richmond Street.

(10) College Drive between Lakeside Drive and Breckenbridge Street.

(11) Breckenbridge Street between College Drive and Richmond Street.

(c) Penalty for violation. The driver of any such vehicle operated in violation of this section shall be guilty of a class 4 misdemeanor. (Ord. No. O-81-165, § 2, 8-11-81; Ord. No. O-88-233, 9-13-88)

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **October 11, 2011** AGENDA ITEM NO.: 8

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

ACTION: **X** INFORMATION:

ITEM TITLE: **Virginia Department of Fire Programs Burn Building Grant: $7,200 for a Forcible Entry Simulator for the Fire Department**

RECOMMENDATION:
Adopt a resolution to amend the FY 2012 City/Federal/State Aid Fund budget and appropriate $7,200 with resources from the Virginia Department of Fire Programs Burn Building grant program to purchase a Forcible Entry Simulator for the Fire Department's Burn Building.

SUMMARY:
The Virginia Department of Fire Programs (VDFP) offers grants to localities for the construction, renovation, or repair of Burn Buildings. Burn Buildings provide live fire training to fire service personnel. The department is requesting funds to purchase a Forcible Entry Simulator. Purchase of this device is required by the Virginia Department of Fire Programs as stated in the Burn Building audit report; this device is required so that the Burn Building will be in compliance for the testing of Firefighter I and Firefighter II programs conducted at the site.

The total cost of the Forcible Entry Simulator and installation along with the initial consumable materials necessary to operate the device is $7,200. This grant is 100% reimbursable, no local match is required.

PRIOR ACTION(S):
September 27, 2011 Finance Committee

FISCAL IMPACT:
The grant is 100% reimbursable; no additional appropriation is required. Future funds will be needed for periodic maintenance of the device purchased.

CONTACT(S):
Fire Chief Steven B. Ferguson, 455-6340
Battalion Chief Robert Lipscomb, 455-6352
Ellen Davidson-Martin, Fire Administrative Manager, 455-6368

ATTACHMENT(S):
Resolution

REVIEWED BY: lkp

RESOLUTION:

BE IT RESOLVED that the FY 2012 City/Federal/State Aid Fund budget is amended and $7,200 is appropriated with resources from the Virginia Department of Fire Programs Burn Building grant program to purchase a Forcible Entry Simulator for the Fire Department's Burn Building.

Introduced: Adopted:

Certified: ______________________________
Clerk of Council

145L

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **October 11, 2011** AGENDA ITEM NO.: 9

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

ACTION: **X** INFORMATION:

ITEM TITLE: **Virginia Department of Fire Programs Burn Building Grant for a Temperature Monitoring System**

RECOMMENDATION:
Adopt a resolution to amend the FY 2012 City/Federal/State Aid Fund budget and appropriate $7,527 with resources from the Virginia Department of Fire Programs Burn Building grant program to purchase a Temperature Monitoring System (TMS) for the Fire Department's Burn Building.

SUMMARY:
The Virginia Department of Fire Programs offers grants to localities for the construction, renovation, or repair of Burn Buildings. Burn Buildings provide live fire training to fire service personnel. The department is requesting funds to replace the temperature monitoring system (TMS) which has stopped working. It appears the unit may have been struck by lightning and is beyond repair. In addition to the temperature monitoring system, a lightning protection system will be installed as well.

The total cost of equipment and installation is $9,177. The additional $1,650 above grant funding is available in the department's FY 2012 budget. This grant is 100% reimbursable, no local match is required.

PRIOR ACTION(S):
September 27, 2011 Finance Committee
February 22, 2011 Finance Committee

FISCAL IMPACT:
$1,650 in funds will be provided from the Fire Department's FY 2012 budget; no local match is required. Future funds will be needed for periodic maintenance of the equipment purchased.

CONTACT(S):
Fire Chief Steven B. Ferguson, 455-6340
Battalion Chief Robert Lipscomb, 455-6352
Ellen Davidson-Martin, Fire Administrative Manager, 455-6368

ATTACHMENT(S):
Resolution

REVIEWED BY: lkp

RESOLUTION:

BE IT RESOLVED that the FY 2012 City/Federal/State Aid Fund budget is amended and $7,527 is appropriated with resources from the Virginia Department of Fire Programs Burn Building grant program to purchase a Temperature Monitoring System (TMS) for the Fire Department's Burn Building.

Introduced: Adopted:

Certified: ______________________________
Clerk of Council

147L

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **October 11, 2011** AGENDA ITEM NO.: 10

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

ACTION: **X** INFORMATION:

ITEM TITLE: **Department of Motor Vehicles Highway Safety Program Grant for Crash Team Training and Equipment**

RECOMMENDATION:
Adopt a resolution to amend the FY 2012 City/Federal/State Aid Fund budget and appropriate $35,820 with resources of $29,850 from the Department of Motor Vehicles Highway Safety Program and an in-kind match of $5,970 from the FY 2012 General Fund Police Department budget to send crash team members to accident reconstruction training and to purchase equipment.

SUMMARY:
The Department of Motor Vehicles Highway Safety Program has awarded the City a $29,850 grant. Funds will be used to send crash team members to accident reconstruction training and to purchase equipment for use when responding to and conducting investigation and reconstruction of serious motor vehicle crashes.

An in–kind match of $5,970 in police equipment and services is part of the grant agreement. These funds are already available in the current budget and do not require any additional appropriation.

PRIOR ACTION(S):
September 27, 2011 Finance Committee

BUDGET IMPACT:
None, the in-kind match is available in the current budget.

CONTACT(S):
Police Chief Parks Snead, 455-6104
Captain R.M. Zuidema, Police Department, 455-6052

ATTACHMENT(S):
Resolution

REVIEWED BY: lkp

RESOLUTION:

BE IT RESOLVED that the FY 2012 City/Federal/State Aid Fund budget is amended and $35,820 is appropriated with resources of $29,850 from the Department of Motor Vehicles Highway Safety Program and an in-kind match of $5,970 from the FY 2012 General Fund Police Department budget to send crash team members to accident reconstruction training and to purchase equipment.

Introduced: Adopted:

Certified: ______________________________
Clerk of Council

148L

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **October 11, 2011** AGENDA ITEM NO.: 11

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

ACTION: **X** INFORMATION:

ITEM TITLE: **2011 Edward Byrne Memorial Justice Assistance Grant (JAG)**

RECOMMENDATION:
Adopt a resolution to amend the FY 2012 City/Federal/State Aid Fund budget and appropriate $51,224 with resources from the 2011 Edward Byrne Memorial Justice Assistance Grant (JAG) to purchase replacement digital in-car video recording equipment and computer tablets.

SUMMARY:
The Lynchburg Police Department is eligible to receive $51,224 in Edward Byrne Memorial Justice Assistance Grant (JAG) funding. Funding will be utilized to purchase replacement digital in-car video recording equipment for patrol vehicles ($48,224) and computer tablets ($3,000) for use by both the Commonwealth Attorney's Office and the Lynchburg Police Department. Total equipment cost is $51,224, which is fully reimbursable by the grant. No local matching funds are required.

PRIOR ACTION(S):
September 27, 2011 Finance Committee
July 12, 2011 Finance Committee
July 12, 2011 City Council

FISCAL IMPACT:
None, no local match is required.

CONTACT(S):
Police Chief Parks Snead, 455-6104
Captain R.M. Zuidema, Police Department, 455-6052

ATTACHMENT(S):
Resolution

REVIEWED BY: lkp

RESOLUTION:

BE IT RESOLVED that the FY 2012 City/Federal/State Aid Fund budget is amended and $51,224 is appropriated with resources from the 2011 Edward Byrne Memorial Justice Assistance Grant (JAG) to purchase replacement digital in-car video recording equipment and computer tablets.

Introduced: Adopted:

Certified: ______________________________
Clerk of Council

146L

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **October 11, 2011**			AGENDA ITEM NO.: 12
CONSENT: **X**	REGULAR:	WORK SESSION:	CLOSED SESSION: (Confidential)
ACTION: **X**		INFORMATION:	

ITEM TITLE: **Police Department Participation in the DMV Highway Safety Grant**

RECOMMENDATION:
Adopt a resolution to amend the FY 2012 City/Federal/State Aid Fund budget and appropriate $53,227 with resources of $42,137 from the Department of Motor Vehicles Highway Safety Grant, an in-kind match of $8,428, and a transfer of $2,662 from the FY 2012 General Fund Police Department budget to provide selective DUI and occupant restraint enforcement activities, attend related training, and purchase equipment.

SUMMARY:
The Department of Motor Vehicles Highway Safety Program has awarded the City a $42,137 grant. The funds will be used for selective DUI and occupant restraint enforcement activities, to attend related training, and to purchase equipment for DUI enforcement.

This grant excludes reimbursement of FICA (Medicare and Social Security) benefit costs associated with the allotted overtime; however, the Police Department is able to absorb the $2,662 cost associated with this in its current budget.

An in–kind match of $8,428 in police equipment and services is part of the grant agreement. These funds are already available in the current budget and do not require any additional appropriation.

PRIOR ACTION(S):
September 27, 2011 Finance Committee

BUDGET IMPACT:
The grant requires the Police Department to pay the FICA (Medicare and Social Security) benefits associated with the allotted overtime funds. There will be a cost of $2,662 for FICA benefits; these funds will be transferred from the FY 2012 General Fund Police Department budget.

CONTACT(S):
Police Chief Parks Snead, 455-6104
Captain R.M. Zuidema, Police Department, 455-6052

ATTACHMENT(S):
Resolution

REVIEWED BY: lkp

RESOLUTION:

BE IT RESOLVED that the FY 2012 City/Federal/State Aid Fund budget is amended and $53,227 is appropriated with resources of $42,137 from the Department of Motor Vehicles Highway Safety Grant, an in-kind match of $8,428, and a transfer of $2,662 from the FY 2012 General Fund Police Department budget to provide selective DUI and occupant restraint enforcement activities, attend related training, and purchase equipment.

Introduced: Adopted:

Certified: ______________________________
Clerk of Council

149L

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **October 11, 2011**			AGENDA ITEM NO.: 13
CONSENT:	REGULAR: **X**	WORK SESSION:	CLOSED SESSION: (Confidential)
ACTION: **X**		INFORMATION:	

ITEM TITLE: **Right-of-Way Vacation – Portion of the right-of-way (Hillsman Street) between 416, 420 and 424 Hillsman Street and 513 Brunswick Road**

RECOMMENDATION: Vacate a portion of Hillsman Street between 416, 420 and 424 Hillsman Street and 513 Brunswick Road.

SUMMARY: Joan Menge is petitioning to vacate a portion of the right-of-way of Hillsman Street which extends in a northwesterly direction three hundred seventy-eight and four tenths (378.4) feet from its intersection with Brunswick Road. The portion of right-of-way proposed for vacation is a "paper street" fronting on 416, 420 and 424 Hillman Street (owned by Joan Menge) and 513 Brunswick Road (owned by David Lipani).

If the right-of-way is vacated, each parcel would extend its boundary line to the centerline of Hillsman Street. The right-of-way vacation would result in 416 and 420 Hillsman Street no longer having street frontage. Street frontage on Brunswick Road would remain for 424 Hillsman Street and 513 Brunswick Road.

As a condition of the right-of-way vacation, it should be required that 416, 420 and 424 Hillsman Street be combined into one (1) parcel by vacating the interior property lines. This would prevent the creation of "landlocked" properties.

Other parcels that front on Hillsman Street would not be affected by this vacation.

PRIOR ACTION(S):

August 25, 2011: The Technical Review Committee (TRC) reviewed the petition. The TRC comments have been incorporated into the proposed ordinance.

September 13, 2011: The Physical Development Committee (PDC) reviewed the petition and recommended that it be forwarded to City Council for action.

FISCAL IMPACT: None

CONTACT(S): Kevin Henry, Planner II – 455-3915
Tom Martin, City Planner - 455-3900
Kent White, Director of Community Development – 455-3900

ATTACHMENT(S):
- Ordinance
- Vicinity Map
- Technical Review Committee Report – August 29, 2011
- Application – August 4, 2011

REVIEWED BY: lkp

ORDINANCE

AN ORDINANCE VACATING A PORTION OF HILLSMAN STREET BETWEEN 416, 420 and 424 HILLSMAN STREET AND 513 BRUNSWICK ROAD

WHEREAS, Joan Menge is petitioning to vacate a portion of the right-of-way located between the properties of 416, 420 and 424 Hillsman Street and 513 Brunswick Road, which extends three hundred seventy eight and four tenths (378.4) feet;

WHEREAS, City Council finds that no public inconvenience will result from vacating a portion of the unopened right-of-way; and

WHEREAS, City Council determined that the City has no need for the portion of the public right-of-way in question and that the City's continued ownership of such public right-of-way is not necessary or required to serve the best interest of the City;

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 Section 35-71 through Section 36-77 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 located between 416, 420 and 424 Hillsman Street and 513 Brunswick Road, which extends three hundred seventy eight and four tenths (378.4) feet and terminates at the western boundary of 513 Brunswick Road.

Said vacation is contingent upon the following: (1) 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. (2) The properties identified as 416, 420 and 424 Hillsman Street, also known as tax map parcels 00704031, 00704026 and 00704024 respectively, shall have all internal lot lines vacated causing the aforementioned parcels to be one parcel and failure to prepare, approve and record the necessary documents to vacate the internal lot lines within six months of the adoption of this resolution shall render vacation of the above-described portion of Hillsman Street Null and void.

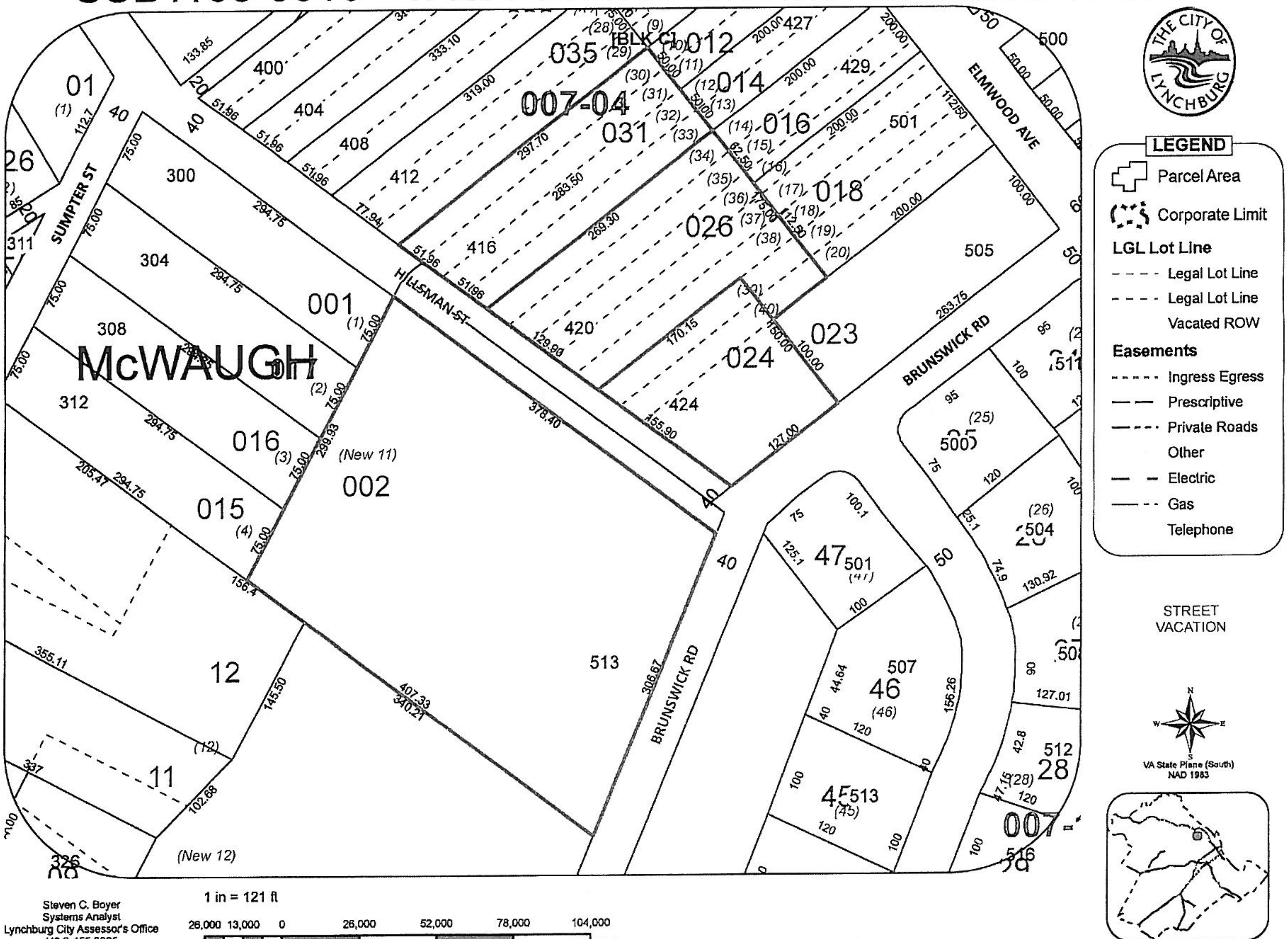
BE IT FURTHER ORDAINED that the Clerk of the Council is hereby authorized and directed to deliver a duly-certified copy of this ordinance to the Clerk of the Circuit Court for the City of Lynchburg so that said certified copy of this ordinance may be recorded as deeds are recorded and indexed in the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

Adopted:

Certified: ______________________________
Clerk of Council

152L

SUB1108-0010 - VACATION A PORTION OF HILLSMAN ST



Steven C. Boyer
Systems Analyst
Lynchburg City Assessor's Office
(434) 455-3825

1 in = 121 ft

26,000 13,000 0 26,000 52,000 78,000 104,000 Feet

SUB1108-0010 - VACATION OF A PORTION OF HILLSMAN ST

LEGEND

- Parcel Area
- Corporate Limit

LGL Lot Line

- Legal Lot Line
- Legal Lot Line
- Vacated ROW

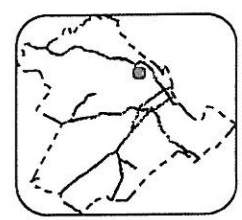
Easements

- Ingress Egress
- Prescriptive
- Private Roads
- Other
- Electric
- Gas
- Telephone

STREET VACATION

N W E S

VA State Plane (South) NAD 1983



1 in = 121 ft

26,000 13,000 0 26,000 52,000 78,000 104,000 Feet

Steven C. Boyer
Systems Analyst
Lynchburg City Assessor's Office
(434) 455-3825

TRC Report Date
8/29/2011

Project Number	**SUB1108-0010**
Project Name	**Hillsman Street vacation**
Site Address	424 HILLSMAN ST

Review Type	Contact	Notes
AEP	Tom G Woodford	
Assessor	Steve Boyer	
EngineeringDesign	Lee Newland	The City shall maintain a 30' drainage easement along existing storm sewer pipe.
EngineeringMapRoom	Debbie Stinson	
Fire	Thomas Goode	
Neighbor Svcs	Rob Fowler	
Planning	Kevin Henry	All interior lot lines shall be vacated between the properties in order to meet road frontage requirements. If the right of way vacation is approved, and interior lot lines are not vacated, 420 & 416 Hillsman St. would not have road frontage required by the Subdivision Ordinance.
PWStreets	Dave Owen	
Traffic	Lee Newland	The new Right of way line should be the extension fo the existing northern boundary of Brunswick Road.
Utilities	Eric E Schrader	1. Public storm sewer piping, associated rip-rap, and public water and sewer services are all located within Hillsman St. 2. Utilities has requested information regarding the owners needed water and sewer connections for this property. Utilities needs a decision regarding any needed new water or sewer connections prior to finalizing the Brunswick Rd. extension plans.
Verizon	George Almond	

APPLICATION FOR THE VACATION OF A

Hillsman Street
(Street/Alley)

LOCATED BETWEEN

Sumpter Street & Brunswick Road

The undersigned applicant, Joan Menge, 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 street described as follows:

Portion of Hillsman Street extending from its intersection with Brunswick Road and extending in a northwesterly direction 378.40 feet.

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 , 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 street.

Given under my hand this 4th day of August, 2011.

[signature] Applicant

513, Brunswick Rd.
Lynchburg, VA Address

525-9001 Telephone Number

WE, THE ADJOINING PROPERTY OWNER(S), ARE IN AGREEMENT TO THE VACATION OF THE ABOVE DESCRIBED PROPERTY:

[signature]
505 Elmwood Ave

846-1011

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **October 11, 2011**			AGENDA ITEM NO.: 14
CONSENT:	REGULAR: **X**	WORK SESSION:	CLOSED SESSION: (Confidential)
ACTION: **X**		INFORMATION:	

ITEM TITLE: **Conditional Use Permit (CUP): First Baptist Church of South Lynchburg, 2431, 2438, 2458, 2467 and 2503 Tazewell Avenue.**

RECOMMENDATION: Approval of the CUP petition.

SUMMARY: First Baptist Church of South Lynchburg is petitioning for a CUP to allow the construction of a church and parking at 2503 Tazewell Avenue and a parking lot at 2431, 2438, 2458 and 2467 Tazewell Avenue. A portion of the property located at 2503 Tazewell Avenue is currently zoned B-2, Local Neighborhood Business District (which permits churches by right), however, the remainder of the properties are zoned R-3, Medium Density, Two-Family Residential District. The Planning Commission recommended approval of the CUP petition because:

- The petition agrees with the *Comprehensive Plan 2002-2020* which recommends a Neighborhood Commercial use for the property.
- The petition agrees with the *Zoning Ordinance* in that church uses are permitted by right in a B-2, Local Neighborhood Business District and upon Council approval of a conditional use permit in an R-3, Medium Density, Two-Family Residential District.

PRIOR ACTION(S):
September 14, 2011: Planning Division recommended approval of the proposed CUP petition.
Planning Commission recommended approval of the CUP (7-0).

FISCAL IMPACT: None

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

ATTACHMENT(S):
- Resolution
- Planning Commission Report – September 14, 2011
- Planning Commission Minutes – September 14, 2011
- Vicinity Zoning Pattern
- Vicinity Land Use
- Watershed Location Map
- Concept Plan
- Narrative
- Property Photograph
- Speaker Signup Sheet
- Neighborhood Petition

REVIEWED BY: lkp

RESOLUTION:

A RESOLUTION GRANTING A CONDITIONAL USE PERMIT TO FIRST BAPTIST CHURCH OF SOUTH LYNCHBURG, TO ALLOW THE CONSTRUCTION OF A CHURCH WITH ASSOCIATED PARKING IN A B-2, LOCAL NEIGHBORHOOD BUISNESS DISTRICT AND R-3, MEDIUM DENSITY TWO-FAMILY RESIDENTIAL DISTRICT, AT 2431, 2438, 2458, 2467 and 2503 TAZEWELL AVENUE.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF LYNCHBURG that the petition of First Baptist Church of South Lynchburg, to allow for the construction of a church with associated parking in a B-2, Local Neighborhood Business District and R-3, Medium Density Two-Family Residential District at 2431, 2438, 2458, 2467 and 2503 Tazewell Avenue, is hereby approved subject to the following conditions:

1. The property shall be used and developed in substantial compliance with the concept plan entitled "Preliminary Site Plan for First Baptist Church of South Lynchburg" dated August 15, 2011, by Hurt & Proffitt, Inc.

2. All lighting shall be glare shielded and non-directional.

Adopted:

Certified: ______________________________
Clerk of Council

153L

The Department of Community Development

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

To: Planning Commission
From: Planning Division
Date: September 14, 2011
Re: **Conditional Use Permit (CUP): First Baptist Church of South Lynchburg, 2503, 2467, 2458, 2438 and & 2431 Tazewell Avenue**

I. PETITIONER

Trustees of First Baptist Church of South Lynchburg, 2500 Tazewell Avenue, Lynchburg, Virginia 24501

Representative: Mr. P. Scott Beasley, Hurt & Proffitt, Inc., 2524 Langhorne Road, Lynchburg, Virginia 24501

II. LOCATION

The subject properties combined are approximately one and ninety-three hundredths (1.93) acres located at 2503, 2467, 2458, 2438, & 2431 Tazewell Avenue.

Property Owner: Trustees of First Baptist Church of South Lynchburg, 2500 Tazewell Avenue, Lynchburg, Virginia 24501

III. PURPOSE

The purpose of this petition is to allow for the construction of a new twelve thousand, three hundred fifty (12,350) square foot church on 2503 Tazewell Avenue with some of the required parking. The remaining required parking will be located on 2467, 2458, 2438, and 2431 Tazewell Avenue.

IV. SUMMARY

- Petition agrees with the *Comprehensive Plan* which recommends a Neighborhood Commercial use for the property.
- Petition agrees with the *Zoning Ordinance* in that church uses are permitted in an R-3, Medium Density Two-Family Residential District and B-2 Local Neighborhood Business District with approval of a conditional use permit (CUP) by City Council.

The Planning Division recommends approval of the conditional use permit petition.

V. FINDINGS OF FACT

1. **Comprehensive Plan.** The Lynchburg *Comprehensive Plan 2002-2020* recommends a Neighborhood Commercial use for the property indicated for the construction of the church and a Traditional Residential use for the adjacent parking area. Neighborhood Commercial areas include retail, personal service, and restaurant uses, designed to serve their immediate neighborhood. **(page 5.4)** Traditional Residential areas are those generally constructed prior to WW II. "Large new or expanded public and institutional uses are not appropriate for these areas unless they can be designed to blend into the existing urban fabric through landscaping or architectural treatments". (**pg 5.5**) The site plan as submitted with existing landscaping requirements should address the goals and objectives of the *Comprehensive Plan.*

2. **Zoning.** The subject property was annexed from Campbell County in 1926. The existing R-3, Medium Density Two-Family Residential District and B-2, Local Neighborhood Business District were established in 1978 with the adoption of the current *Zoning Ordinance*.
3. **Board of Zoning Appeals (BZA).** The Zoning Official has determined that no variances are needed for the development of the property as proposed.
4. **Surrounding Area.** There have been several items requiring City Council approval in the immediate area:

   - On January 8, 1980, Lynchburg City Council approved Fairview Christian Church's CUP petition to use a portion of the existing church for a child care facility in an R-3, Medium Density Two-Family Residential District at 2314 Mosby Avenue.
   - On March 13, 1984, Lynchburg City Council approved Fairview Christian Church's CUP petition to allow for the construction of a parking lot in an R-3, Medium Density Two-Family Residential District at 2205 Mosby Avenue.
   - On November 12, 1985, Lynchburg City Council approved Christian Chapel's CUP petition to construct an addition to the existing church and parking lot in an R-3, Medium Density Two-Family Residential District at 2347 Holliday Street.
   - On November 14, 1989, Lynchburg City Council approved Virginia Seminary and College's CUP petition to allow the conversion of an existing building into a college bookstore and retail snack bar in an R-3, Medium Density Two-Family Residential District at 2202 Garfield Avenue.
   - On February 9, 1993, Lynchburg City Council approved New Life Gospel Assembly's CUP petition to allow an expansion of the existing church building for restrooms, office space and a nursery in an R-3, Medium Density Two-Family Residential District at 2261 Campbell Avenue.
   - On October 12, 1993, Lynchburg City Council approved The Church of God of Prophecy's CUP petition to allow for the construction of five (5) classrooms, two (2) restrooms, a multi-use facility and five (5) additional parking spaces in an R-3, Medium Density Two-Family Residential District at 2600 Garfield Avenue.
   - On October 25, 1994, Lynchburg City Council approved Christian Chapel's CUP petition to construct an addition to the existing church and a pavilion in an R-3, Medium Density Two-Family Residential District at 2347 Holliday Street.
   - On December 9, 1997, Lynchburg City Council approved New Life Church's CUP petition to construct a new sanctuary with associated parking in an R-3, Medium Density Two-Family Residential District at 2261 Campbell Avenue.
   - On May 9, 2000, Lynchburg City Council approved The Church of God of Prophecy's CUP petition to construct a fellowship hall with associated parking in an I-2, Light Industrial District at the intersection of Otey Street and Cobbs Street.
   - On April 9, 2002, Lynchburg City Council approved Christian Chapel's CUP petition to construct an addition to the existing church in an R-3, Medium Density Two-Family Residential District at 2347 Holliday Street.

5. **Site Description.** Currently, the property is used as a parking area for the church across the street at 2500 Tazewell Avenue. The property is generally flat with a slight downward slope towards the south side of the property (toward railroad tracks). The property is bound by railroad tracks to the south, while all other adjoining properties are either of residential or institutional use.

6. **Proposed Use of Property.** The purpose of this petition is to allow the petitioner to construct a church with associated parking.

7. **Traffic, Parking and Public Transit.** A traffic study was required as part of the application for the CUP. According to the traffic impact study, it was indicated that the proposed church should not significantly impact local streets. The property falls within the Campbell Avenue Corridor Study Area. Planning in this area should include strategies to channel traffic properly **(page 4.13)**. The applicant, as shown on the plan, will be closing the existing entrance along Campbell Avenue, helping limit access.

   Parking requirements for the church are set at one (1) space for every four (4) seats by the *Zoning Ordinance*. The proposed church would provide for a maximum of two hundred fifty-five (255) seats, which would require sixty-four (64) spaces. Seventy-three (73) spaces have been provided on the plan, thus meeting the requirement of the *Zoning Ordinance*).

   The property is served by Route 2 of the Greater Lynchburg Transit Company. The closest bus stop is located directly in front of the property on Campbell Avenue.

8. **Stormwater Management.** The twelve thousand, three hundred fifty (12,350) square foot church and associated parking area will result in an increase in stormwater runoff. Stormwater quantity and quality treatment for the property will be accomplished through the installation of permeable paving in the parking areas. Water quality treatment, if required at the time of the site plan review, can be accomplished through the use of a bioretention filter.

9. **Emergency Services.** The City Fire Marshal and Police Department had no comments of concern with the project as proposed.

10. **Impact.** The proposed church will have limited impact upon the surrounding area. Traffic and stormwater management concerns have all been addressed to the satisfaction of City staff, and the result is a project that would blend seamlessly into the existing neighborhood. The infill of the property encourages the growth of this institutional use. Institutional uses have historically continued to grow in this area of the City, as indicated by the past actions of City Council.

11. **Technical Review Committee.** The Technical Review Committee (TRC) reviewed the concept plan on July 19, 2011. Comments related to the proposal were minor in nature and have or will be addressed by the petitioner.

VI. PLANNING DIVISION RECOMMENDATION

Based on the preceding Findings of Fact, the Planning Commission recommends to City Council approval of the conditional use permit petition of First Baptist Church of South Lynchburg, to allow for the construction of a church at 2503 Tazewell Avenue and associated parking at 2467, 2458, 2438 and 2431 Tazewell Avenue, in accordance with the following conditions:

1. **The property shall be used and developed in substantial compliance with the concept plan entitled "Preliminary Site Plan for First Baptist Church of South Lynchburg" dated August 15, 2011, by Hurt & Proffitt, Inc.**
2. **All lighting shall be glared shielded and non-directional.**

This matter is respectfully offered for your consideration.

William T. Martin

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 Kozerow, Lynchburg Police Department
Battalion Chief Greg Wormser, Fire Marshal
Mr. Douglas Saunders, Building Commissioner
Mr. Robert Fowler, Zoning Administrator
Mr. Jacob Dorman, Environmental Reviewer
Mr. P. Scott Beasley, Hurt & Proffitt Engineering

VII. ATTACHMENTS

1. **Vicinity Zoning Pattern**
2. **Vicinity Proposed Land Use**
3. **Watershed Location Map**
4. **Concept Plan**
5. **Narrative**
6. **Photo**

MINUTES FROM THE SEPTEMBER 14, 2011 PLANNING COMMISSION MEETING (MINUTES HAVE BEEN APPROVED):

b. Petition of First Baptist Church of South Lynchburg for a conditional use permit at 2431, 2438, 2458, 2467 and 2503 Tazewell Avenue to allow the construction of a church and associated parking in an R-3, Medium-Density Residential District.

Mr. Henry had the following comments for the commissioners. The conditional use permit would allow for the construction of a new church. The *Comprehensive Plan* recommends a Neighborhood Commercial use in the area where the church will be located. In the areas where the parking will be located, a Traditional Residential use is recommended. Neighborhood Commercial uses are designed to serve the immediate neighborhood, as is typically true with a church use. Traditional Residential areas are those areas generally constructed prior to World War II. Large, new or expanded public and institutional uses are not appropriate for these areas, unless they can be designed to blend into the existing urban fabric through landscaping or architectural treatments. The site plan, as submitted, with existing landscaping requirements should address the goals and objectives of the *Comprehensive Plan.*

A traffic study was required as part of the application for the conditional use permit. According to the traffic impact study, it was indicated that the proposed church should not significantly impact local streets. Access to the church will be accomplished via Otey Street, while direct access from Campbell Avenue will not be permitted. The 12,350 square foot church and parking area will result in an increase in stormwater runoff. Stormwater quantity and quality treatment for the property will be accomplished through the installation of permeable paving.

The proposed church will have limited impact upon the surrounding area. Traffic and stormwater management concerns have all been addressed to the satisfaction of City staff and the result is a project that would blend seamlessly into the existing neighborhood. The infill of the property encourages the growth of this institutional use. Institutional uses have historically continued to grow in this area of the City. Therefore, staff recommends approval of the conditional use permit petition.

Mr. Scott Beasley of Hurt & Proffitt came forward to represent the petition. They have been working with the church for a number of months and have attended a number of meetings with them and their committees. There is a lot of excitement to see it grow. It will be a two phase project. The first phase of the project will be the completion of the remote parking lot. The church will then be constructed on the new lot.

A traffic study was done and it did not show any potential impacts. The church has met with the neighborhood and discussed their plans. The church also has a petition to present with citizens' signature in support of this petition. Mr. Beasley explained that stormwater management will probably be handled with some permeable concrete and maybe some underground storage. The complication with this area is that there is a combined sewer system in the area, so they cannot directly tie their stormwater to the inlets in the area. All that will be looked at during the design process.

Chair Hamilton asked if there was anyone else to speak in favor of the petition. Mr. Clyde Clark came forward and remarked that a neighborhood meeting was held on June 2, 2011. They would like to build the parking lot as quickly as possible and hopefully start the church building in early 2012.

Chair Hamilton asked if there was anyone present to speak in opposition to the petition. No one came forward. She closed the public hearing portion of the petition.

Commissioner Barnes commented that the site plan seems to indicate that the scale will fit into the surrounding neighborhood but asked if there was sketch of the elevation available. Mr. Beasley said there is not one available yet. Mr. Beasley explained that the main entrance of the building will face

Tazewell Avenue and there will be a side entrance with a covered drive. There will be pedestrian connectivity across the street and to the remote lot. Chair Hamilton asked what the current square footage of the building is and Mr. Beasley said it is just over 4,000 square feet. There are currently 180 seats in the sanctuary. The new facility will have 255 seats but a lot of other useful space has been added.

Mr. Beasley explained that they have not determined what permeable pavement they will use yet. A lot of it depends on grading and that type of thing. His preference would be permeable concrete but those decisions have not been made at this point.

Commissioner Barnes went to the site about the time church would let out on a Sunday. He did not see any particular issues there. Most of the traffic exits by Otey Street onto Campbell Avenue but he wondered about traffic on Tazewell Avenue as well. Mr. Beasley said it was their observation when doing the traffic study that most of the traffic exits to Otey Street. There was not a lot of backup there. The biggest thing they found was a northbound right turn onto Otey Street is the most difficult movement when there is someone waiting on Otey Street to turn left or right because the street is so narrow and the radius is so small. That is an existing condition. They looked at the possibility of something being done there but it would be a pretty significant cost. There are two inlets there that would have to be redone. Since there is probably going to be a CSO project there in the future, the City would want to do that at that time. There is also a pole that would have to be moved at an enormous cost.

Commissioner Coleman said he was very happy and pleased to see this come before the commission and City Council. In his personal investigation, he knows that the Virginia University of Lynchburg is very excited about this expansion because it can only benefit the community. The petition from the church and Commissioner Coleman's own personal conversations with the neighbors suggest that there is a ground swell of support and excitement for this project. He would like to applaud the church for their selection of their support staff and he would hope they advance this on to council with a favorable recommendation.

Commissioner Coleman made the following motion, which was seconded by Commissioner Barnes:

"That the Planning Commission recommends to City Council approval of the conditional use permit petition of First Baptist Church of South Lynchburg, to allow for the construction of a church at 2503 Tazewell Avenue and associated parking at 2467, 2458, 2438 and 2431 Tazewell Avenue, in accordance with the following conditions:

1. **The property shall be used and developed in substantial compliance with the concept plan entitled "Preliminary Site Plan for First Baptist Church of South Lynchburg" dated August 15, 2011, by Hurt & Proffitt, Inc.**
2. **All lighting shall be glared shielded and non-directional.**

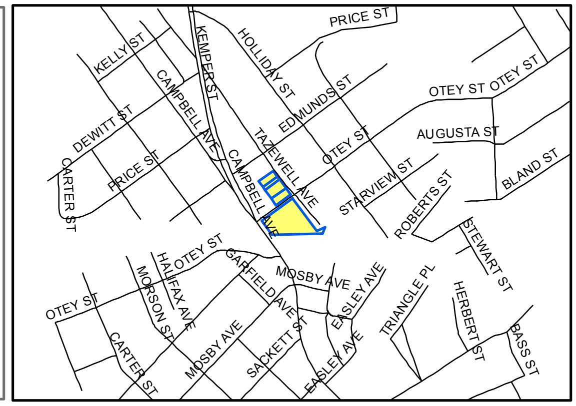
The motion passed by the following vote:

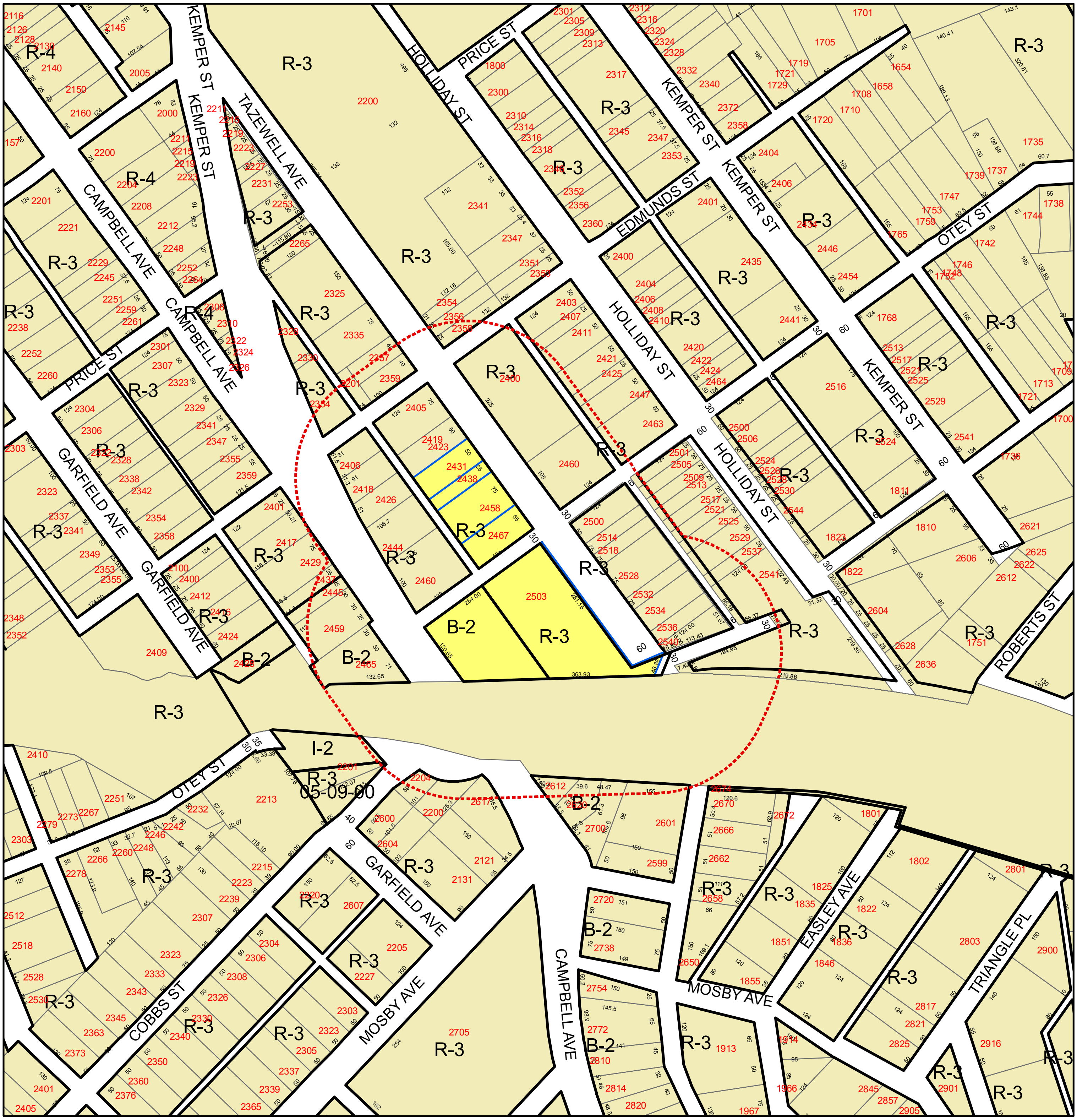
AYES:	Barnes, Coleman, Hamilton, Hannon, Hooper, Sale and Swienton	7
NOES:		0
ABSTENTIONS:		0
ABSENT:		0

FIRST BAPTIST CHURCH OF SOUTH LYNCHBURG
CONDITIONAL USE PERMIT
2503, 2431, 2438, 2458 AND 2467 TAZEWELL AVENUE
Vicinity Zoning Pattern Map

Subject Property

200 Foot Buffer

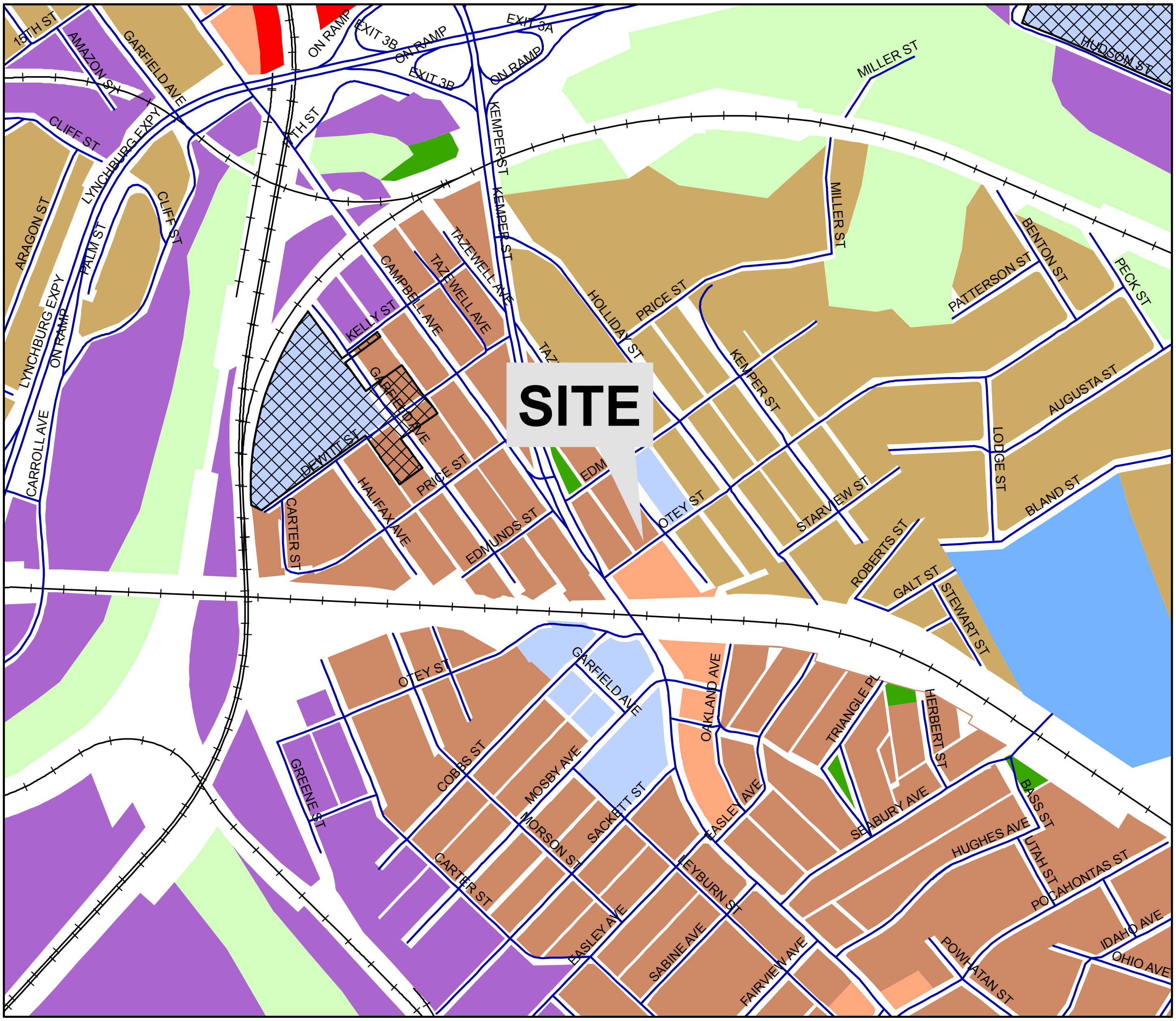




First Baptist Church of South Lynchburg Adjoining Property Owners

PIN	Owner	Local Address
08310001	ADVANCED SATELLITE SERVICES INC	2612 CAMPBELL AVENUE
05004009	BERTHA D WOODSON	2426 CAMPBELL AVENUE
08310003	BRI PROPERTIES LLC	2601 OAKLAND AVENUE
08310002	BRI PROPERTIES LLC	2700 CAMPBELL AVENUE
05003005	CAMILLE RAY	2425 HOLLIDAY STREET
05003004	CAMILLE RAY	2421 HOLLIDAY STREET
05003006	CARL & VIVIAN WILLIAMS	2447 HOLLIDAY STREET
08301015	CHARLES M L MANGUM	2540 TAZEWELL AVENUE
05002007	CHRISTIAN CHAPEL TRUSTEES	2358 TAZEWELL AVENUE
05002008	CHRISTIAN CHAPEL TRUSTEES	2356 TAZEWELL AVENUE
05022004	CHURCH OF GOD OF PROPHECY TRUSTEES	2213 COBBS STREET
05004013	CITY OF LYNCHBURG C/O STEVE LAWSON	2406 CAMPBELL AVENUE
05005007	CITY OF LYNCHBURG C/O STEVE LAWSON	2354 KEMPER STREET
08301019	CRYSTAL K PETERS	2528 TAZEWELL AVENUE
05005004	ELIZABTH G & LAWRENCE YARBOROUGH	2357 TAZEWELL AVENUE
08309010	FAIRVIEW CHRISTIAN CHURCH	2200 OTEY STREET
08309002	FAIRVIEW CHRISTIAN CHURCH	2617 CAMPBELL AVENUE
08309009	FAIRVIEW CHRISTIAN CHURCH	2204 OTEY STREET
05013003	FAY J COOPER	2417 CAMPBELL AVENUE
05003008	FIRST BAPTIST CHURCH OF SOUTH LYNCHBURG TRUSTEES	2460 TAZEWELL AVENUE
05004006	FIRST BAPTIST CHURCH OF SOUTH LYNCHBURG TRUSTEES	2467 TAZEWELL AVENUE
05004004	FIRST BAPTIST CHURCH OF SOUTH LYNCHBURG TRUSTEES	2438 TAZEWELL AVENUE
05003009	FIRST BAPTIST CHURCH OF SOUTH LYNCHBURG TRUSTEES	2400 TAZEWELL AVENUE
08301002	FIRST BAPTIST CHURCH OF SOUTH LYNCHBURG TRUSTEES	2505 HOLLIDAY STREET
08301001	FIRST BAPTIST CHURCH OF SOUTH LYNCHBURG TRUSTEES	2501 HOLLIDAY STREET
08308001	FIRST BAPTIST CHURCH OF SOUTH LYNCHBURG TRUSTEES	2503 TAZEWELL AVENUE
05004005	FIRST BAPTIST CHURCH TRUSTEES	2458 TAZEWELL AVENUE
05004003	FIRST BAPTIST CHURCH TRUSTEES	2431 TAZEWELL AVENUE
05005005	FRANCISCO J ASTORGA	2359 TAZEWELL AVENUE
05003003	FREDDIE JR & FRANCES A WAYNE	2411 HOLLIDAY STREET
05003002	FREDDIE JR & FRANCES A WAYNE	2407 HOLLIDAY STREET
05004008	GEORGE & BERTHA WOODSON	2444 CAMPBELL AVENUE
08301010	GLENN S & MARY R OVREVIK	2541 HOLLIDAY STREET
05013004	GRACIE M JONES	2429 CAMPBELL AVENUE
08301016	GREGORY M CAMPBELL AND JEROME WINSTON CAMPBELL	2536 TAZEWELL AVENUE
08310008	HARRY N WOODS	2620 CAMPBELL AVENUE
05004011	J R MCKINLEY TANNER	2418 CAMPBELL AVENUE
08301007	MARY M MCCARRON	2525 HOLLIDAY STREET
08301009	MARY MCCOY REID	2537 HOLLIDAY STREET
08301020	MARY MCCOY REID	2518 TAZEWELL AVENUE
08301021	MARY MCCOY REID	2514 TAZEWELL AVENUE
08301004	MARY MCCOY REID	2513 HOLLIDAY STREET
08301003	MARY MCCOY REID	2509 HOLLIDAY STREET
05004002	NATHANIEL CHILES	2419 TAZEWELL AVENUE
08301017	NORFOLK & WESTERN RAILWAY DIRECTOR OF PROPERTY TAXATION	2534 TAZEWELL AVENUE
05026006	NORFOLK & WESTERN RAILWAY DIRECTOR OF PROPERTY TAXATION	2400 GREENE STREET
08309008	NORFOLK & WESTERN RAILWAY DIRECTOR OF PROPERTY TAXATION	2201 OTEY STREET
05004001	PAULINE H JACKSON	2405 TAZEWELL AVENUE
05013007	PEQUIT REALTY TRUST	2459 CAMPBELL AVENUE
05013006	PEQUIT REALTY TRUST	2445 CAMPBELL AVENUE
05013005	PEQUIT REALTY TRUST	2437 CAMPBELL AVENUE
05013010	PEQUIT REALTY TRUST	2465 CAMPBELL AVENUE
08301018	PETERS, CRYSTAL K PETERS	2532 TAZEWELL AVENUE
05005006	ROY H JONES	2201 EDMUNDS STREET

08301008	SAMIR HUSSAMY	2529 HOLLIDAY STREET
08301006	SAMIR HUSSAMY	2521 HOLLIDAY STREET
08301005	SAMIR HUSSAMY	2517 HOLLIDAY STREET
05003007	SHEILA A NELSON	2463 HOLLIDAY STREET
08301022	SOUTH LYNCHBURG COLORED CHURCH	2500 TAZEWELL AVENUE
05003001	UNKNOWN	2403 HOLLIDAY STREET
05004007	VIRGINIA UNIVERSITY OF LYNCHBURG	2460 CAMPBELL AVENUE
Petitioner	First Baptist Church of South Lynchburg	2503 TAZEWELL AVENUE
Representative	Scott Beasley, Hurt & Proffitt	2524 LANGHORNE ROAD



▨	LocalHistoricDistrict
	Traditional Residential
	Low Density Residential
	Medium Density Residential
	High Density Residential
	Neighborhood Commercial
	Community Commercial
	Regional Commercial
	Employment 1
	Employment 2
	Office
	Institution
	Downtown
	Public Use
	Public Parks
	Resource Conservation
	Residential Mixed Use
	General Mixed Use
	Employment Mixed Use

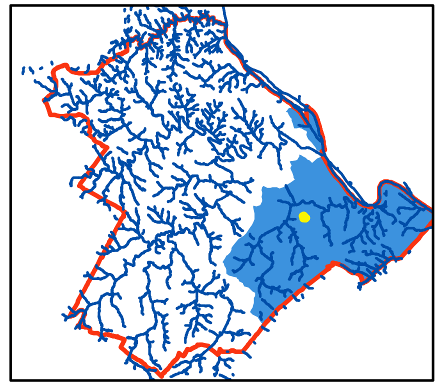
LAND USE MAP
FIRST BAPTIST CHURCH OF SOUTH LYNCHBURG
2503, 2431, 2438, 2458 AND 2467 TAZEWELL AVENUE
CONDITIONAL USE PERMIT

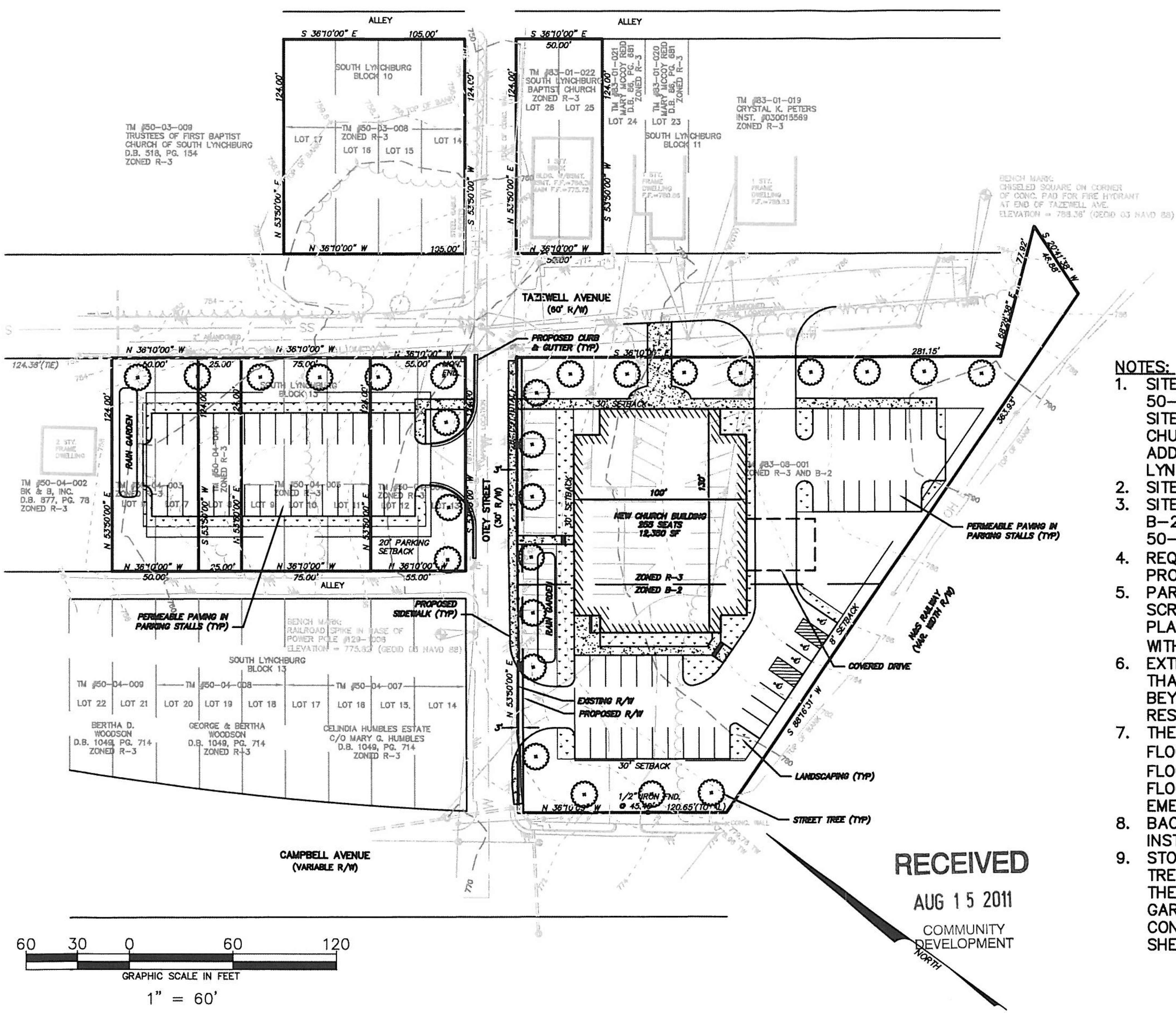
N

First Baptist Church of South Lynchburg

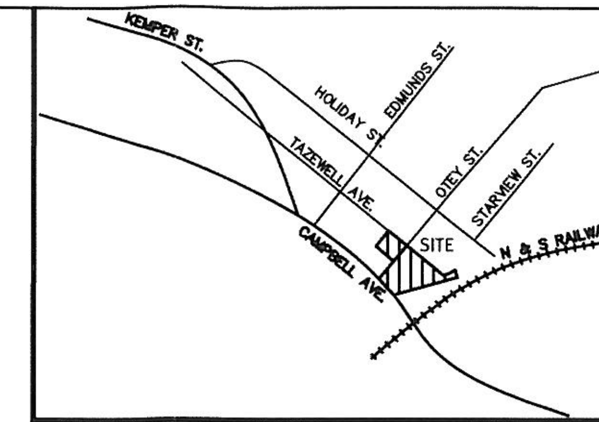
Watershed Location Map

Project Site
Fishing Creek
Corporate Limit





RECEIVED
AUG 15 2011
COMMUNITY DEVELOPMENT



VICINITY MAP (NOT TO SCALE)

NOTES:

1. SITE TM#: 83-08-001, 50-04-003, 50-04-004, 50-04-005, 50-04-006
   SITE OWNER: TRUSTEES OF FIRST BAPTIST CHURCH OF LYNCHBURG
   ADDRESS: 2500 TAZEWELL AVENUE, LYNCHBURG, VA 24501
2. SITE PROPOSED USE: CHURCH
3. SITE ZONING: TM# 83-08-001 ZONED R-3 & B-2. TM# 50-04-003, 50-04-004, 50-04-005, 50-04-006 ZONED R-3.
4. REQUIRED PARKING: 255 SEATS/4=64 SPACES
   PROPOSED PARKING: 73 SPACES
5. PARKING LOT LANDSCAPING, PARKING AREA SCREENING, STREET TREES, AND FOUNDATION PLANTINGS WILL BE PROVIDED IN ACCORDANCE WITH THE CITY'S LANDSCAPING ORDINANCE.
6. EXTERIOR LIGHTING SHALL BE CONTROLLED SO THAT NO DIRECT ILLUMINATION WILL OCCUR BEYOND ANY PROPERTY LINE SHARED WITH A RESIDENTIAL DISTRICT.
7. THE AREA SHOWN HEREON IS LOCATED IN FLOOD ZONE 'X' AND IS NOT LOCATED WITHIN FLOOD HAZARD ZONE 'A' FOR A 100 YEAR FLOOD AS DETERMINED BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY.
8. BACKFLOW PREVENTION DEVICES WILL BE INSTALLED ON ALL NEW WATER CONNECTIONS.
9. STORMWATER QUANTITY AND QUALITY TREATMENT MAY BE ACCOMPLISHED THROUGH THE USE OF PERMEABLE PAVEMENT AND RAIN GARDENS. LEVEL SPREADERS WILL BE USED TO CONVERT CONCENTRATED DISCHARGES TO SHEET FLOW.

*ENGINEERING >> SURVEYING >> PLANNING
HURT & PROFFITT INCORPORATED
2524 LANGHORNE ROAD
LYNCHBURG VA 24501
800.242.4906 TOLL FREE
434.847.7796 MAIN
434.847.0047 FAX

V:\LandProjects\20110226\dwg\CONCEPT.dwg
Aug 15, 2011 – 4:15pm

PRELIMINARY SITE PLAN FOR FIRST BAPTIST CHURCH OF SOUTH LYNCHBURG
CITY OF LYNCHBURG, VIRGINIA

PROJECT NO.	20110226
G.L. NO.	229-14-D4.4
FILE NO.	
DATE:	8/15/2011
DRAWN BY:	ASK
CHECKED BY:	PSB

SHEET NO.
1 OF 1

Hurt & Proffitt, Inc.
Engineering • Surveying • Environmental
Materials Testing • Geotechnical
Site Planning
2524 Langhorne Road • Lynchburg, VA 24501
(434) 847-7796 • FAX (434)847-0047

CONDITIONAL USE PERMIT NARRATIVE

Proposed Sanctuary for First Baptist Church of South Lynchburg
Campbell Avenue, Otey Street, and Tazewell Avenue
Lynchburg, Virginia
Hurt & Proffitt Project #20110226

PROJECT DESCRIPTION

The project consists of the request for a conditional use permit to allow a church use in an R-3 district. Proposed development includes the construction of a sanctuary and associated walks, parking, landscaping, and utility connections.

STORMWATER MANAGEMENT / WATER QUALITY

Stormwater quantity and quality treatment for the subject property may be accomplished via a number of options, including:

1. Construction of underground detention using oversized storm piping, which would drain to a mechanical water quality device. The existing storm sewer system in Campbell Avenue is a combined sewer; per City Engineering, direct connection to this system is not allowed. This restriction would require site runoff to be piped to an existing natural channel to the north of the site.
2. Installation of permeable paving in site parking areas to reduce site imperviousness and eliminate concentrated discharge from the site. This alternative would promote infiltration, thereby minimizing the hydrologic impact of development. Water quality treatment, if required, could be accomplished through the use of a bioretention filter. Underdrains from these systems would be routed through a level spreader if direct connection to the existing storm system is not permitted.

ADEQUATE CHANNEL

If Option 1 above is implemented, site runoff will discharge to an existing natural channel to the north of the site. This channel would be analyzed for adequate volume and velocity capacity for the 2-year storm. If Option 2 is implemented, site runoff will be converted to sheet flow and no downstream channel analysis will be required.

This property is located in Flood Zone "X" and is not located in the 100 year floodplain.


OTEY
TAZEWELL
CAMPBELL

First Baptist Church of South Lynchburg

Conditional Use Permit

September 14, 2011

PLEASE PRINT

NAME	ADDRESS	PHONE	IN FAVOR	IN OPPOSITION	NEUTRAL
Scott Beasley	2524 Langhorne Rd	847-7796	✓		
Clyde T Clark	517 MAdewood Rd	845-6576	✓		

Petition for Parking Lot
First Baptist Church of South Lynchburg
May/June 2011

First Baptist Church of South Lynchburg, located at 2500 Tazwell Avenue, Lynchburg, Virginia would like to construct a parking lot on the property 2400 Tazwell Avenue, 24501. The current parking lot across from the present church will be the site for our new church building. As our neighbors, we request your support in this Christian endeavor. Thank you.

NAME (please print)	ADDRESS	SIGNATURE
Rhonda A. Nellums Date 6-2-2011	2518 Tazewell Av	Rhonda A. Nellum
Bertha Woodson Date 6-2-2011	2444 Campbell ave.	Bertha Woodson
Dave Evans Date 6-2-2011	2058 Garfield Ave	Dave Evans
Crystal K. Peters ~~Crystal K. Pe~~ Date ~~6~~-26-2011 7-	2528 Tazwell Ave	Crystal K. Peters
Date		
Date		
Date		
Date		
Date		

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NAME (please print)	ADDRESS	SIGNATURE
George Woodson Date June 2, 2011	2444 Campbell Ave. Lyn Va.	George Woodson
Gracie Jones. Date June 2, 2011	2429 Campbell Ave.	Gracie Jones.
Fay Cooper Date June 2, 2011	2417 Campbell AVE.	Fay Coop
Karan Coopar ~~Fay Cooper~~ Date June 2, 2011	2417 Campbell Ave.	Karen Cooper
Joseph Lindberg Date June 2, 2011	2417 Campbellave	Joseph Lindberg
Rudi Gotchel Date 6/2/11	2426 CampbellAVE	Rudi L Gotchel
Vina L. Martin-Busher Date 6-2-2011	2426 Campbell Ave	Venia Busher
Olivia P. Hall Date 6/2/2011	2405 Tazwell Ave.	Olivia P. Hall
Pauline Jackson Date 6/2/2011	2405 Tazwell Ave.	Pauline [illegible]

Petition for Parking Lot
First Baptist Church of South Lynchburg
May/June 2011

First Baptist Church of South Lynchburg, located at 2500 Tazwell Avenue, Lynchburg, Virginia would like to construct a parking lot on the property 2400 Tazwell Avenue, 24501. The current parking lot across from the present church will be the site for our new church building. As our neighbors, we request your support in this Christian endeavor. Thank you.

NAME (please print)	ADDRESS	SIGNATURE
Harold Simmons Date 6/2/11	2423 Tazwell apt	Harold Simmons
TARA WALSH Date 6-2-11	2401 Campbell Ave	Tara Walsh
Date		
Date		
Date		
Date		
Date		
Date		
Date		

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **October 11, 2011**			AGENDA ITEM NO.: 15
CONSENT:	REGULAR: **X**	WORK SESSION:	CLOSED SESSION: (Confidential)
ACTION: **X**		INFORMATION:	

ITEM TITLE: **Rezoning: I-2, Light Industrial District to B-3, Community Business District: 1713 12th Street and 1110 Kemper Street**

RECOMMENDATION: Approval of the rezoning petition.

SUMMARY: Come As You Are Ministries is petitioning to rezone approximately forty-nine hundredths (0.49) of an acre from I-2, Light Industrial District to B-3, Community Business District at 1713 12th Street and 1110 Kemper Street. The purpose of the petition is to allow the use of the existing building as a church and child care facility. The existing building will house a church with fifty (50) seats and a child care facility for up to twenty-five (25) children between the ages of sixteen (16) months to five (5) years between the hours of 7:30 a.m. to 5:30 p.m. and an after school program for children between five (5) and twelve (12) years old. The Planning Commission recommended approval of the rezoning petition because:

- The petition agrees with the *Comprehensive Plan 2002-2020* which recommends a Community Commercial use for the property.
- The petition agrees with the *Zoning Ordinance* which permits churches and child care facilities in a B-3, Community Business District.
- Rezoning the property for commercial use is more appropriate for the area and could foster economic development once the Midtown Connector is complete.

PRIOR ACTION(S):
August 24, 2011: Planning Division recommended approval of the proposed rezoning petition.
Planning Commission recommended approval of the rezoning petition (7-0).

FISCAL IMPACT: None

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

ATTACHMENT(S):
- Ordinance
- Planning Commission Report – August 24, 2011
- Planning Commission Minutes – August 24, 2011
- Vicinity Zoning Pattern
- Vicinity Land Use
- Watershed Location Map
- Concept Plan
- Narrative
- Photos
- Speaker Signup Sheet

REVIEWED BY: lkp

ORDINANCE

AN ORDINANCE CHANGING A CERTAIN AREA LOCATED AT 1713 12th STREET AND 1110 KEMPER STREET FROM I-2, LIGHT INDUSTRIAL DISTRICT TO B-3, COMMUNITY BUSINESSES 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 1713 12th Street and 1110 Kemper Street I-2, Light Industrial District to B-3, Community Business District.

The area embraced within the following boundaries . . .

PARCEL 1
BEGINNING AT THE POINT IN THE NORTHWESTERLY LINE OF TWELFTH STREET WHERE THE NORTHEASTERLY BOUNDARY LINE OF SAID LOT 3 INTERSECTS SAID LINE OF TWELFTH STREET, SAID POINT OF BEGINNING BEING LOCATED A DISTANCE OF 109 FEET, IN A SOUTHWESTERLY DIRECTION, ALONG THE SAID LINE OF TWELFTH STREET FROM ITS INTERSECTION WITH THE SOUTHWESTERLY LINE OF BUCHANAN STREET; AND FROM SAID POINT OF BEGINNING RUNNING THENCE, ALONG THE SAID LINE OF TWELFTH STREET, S 59-30W 112 FEET TO A POINT IN THE NORTHEASTERLY LINE OF AN ALLEY N 30-46W 98.6 FEET TO A POINT; THENCE, N 56-38E 112.13 FEET TO A POINT; AND THENCE, ALONG THE AFORESAID BOUNDARY LINE OF SAID LOT 3, S 30-46E 104.2 FEET TO THE POINT OF BEGINNING.

PARCEL 2
ONE: BEGINNING AT A POINT IN THE REAR LINE OF THE LOT DESIGNATED ON SAID PLAT "HAMILTON'S EXISTING LOT", WHICH POINT IS IN THE EASTERN LINE OF THE ALLEY, SHOWN ON SAID PLAT, AND N 30-46W 98.6 FEET FROM THE NORTHERLY LINE OF TWELFTH STREET, AND THENCE, FROM SAID POINT, RUNNING ALONG THE EASTERLY LINE OF SAID ALLEY N 30-46W 48.4 FEET, MORE OR LESS, TO A POINT; THENCE WITH A LINE DIVIDING THE PARCEL CONVEYED HEREBY AND THE REMAINING PROPERTY OF THE ABE COHEN ESTATE, N 59-30E 112 FEET TO AN IRON; THENCE, S 30-46E 42.8 FEET TO AN IRON; THENCE WITH THE LINE OF THE LOT FIRST ABOVE MENTIONED, S 56-38W 112.13 FEET TO THE POINT OF BEGINNING.
TWO: BEGINNING AT A POINT IN THE NORTHERN LINE OF TWELFTH STREET, WHERE SAID LINE OF TWELFTH STREET IS INTERSECTED BY THE DIVIDING LINE BETWEEN THE PROPERTY HEREBY CONVEYED AND THE WESTERN LINE OF AN ALLEY, AND RUNNING THENCE WITH THE WESTERN LINE OF SAID ALLEY, N 30-46W 147 FEET TO THE DIVIDING LINE BETWEEN THE PROPERTY HEREBY CONVEYED AND THE REMAINING PROPERTY OF THE ABE COHEN ESTATE; THENCE, WITH SAID DIVIDING LINE S 59-30W 20 FEET TO AN IRON; THENCE, S 30-46E 122.12 FEET TO A POINT; THENCE, ALONG A CURVED LINE WITH A RADIUS OF 25 FEET, AN ARC DISTANCE OF 39.15 FEET, TO THE POINT OF BEGINNING.

… is hereby changed from I-2, Light Industrial District to B-3, Community 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

151L

The Department of Community Development

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

To: Planning Commission
From: Planning Division
Date: August 24, 2011
Re: **Rezoning – I-2, Light Industrial District to B-3, Community Business District**

I. PETITIONER(s)

Mr. Ricardo Marshal & Mrs. Cynthia Marshal, Come As You Are Ministries, 4629 Campbell Avenue, Lynchburg, VA 24501
Representative: Mrs. Cynthia Marshal, Come As You Are Ministries, 4629 Campbell Avenue, Lynchburg, VA 24501

II. LOCATION

The subject property is a tract of forty-nine hundredths of an acre (0.49) located at 1713 12th Street and 1110 Kemper Street.
Property Owner: Morris Property Management, LLC, 518 Acorn Drive, Rustburg, VA 24588

III. PURPOSE

The purpose of this petition is to allow the use of the existing building as a church and child care facility.

IV. SUMMARY

- Petition agrees with the *Comprehensive Plan 2002-2020's Future Land Use Map* (*FLUM*) which recommends a Community Commercial use for the area.
- Petition agrees with the *Zoning Ordinance* which permits churches and child care facilities in a B-3, Community Business District.

The Planning Division recommends approval of the rezoning petition.

V. FINDINGS OF FACT

1. **Comprehensive Plan.** The *Comprehensive Plan 2002-2020* recommends a Community Commercial use for the area. "Community Commercial areas contain retail, personal service, entertainment, and restaurant uses that draw customers from at least several neighborhoods up to the entire City (colored red) on the *Future Land Use Map*. Community Commercial areas contain clusters of businesses, often at major intersections, and shopping centers. Most community shopping centers range from 100,000 to 200,000 square feet and serve 40,000 to 70,000 people. Office, research and development, and technology development uses may be permitted in Community Commercial areas as long as traffic and other impacts to the community are mitigated. In particular, conversion of existing vacant retail space to these uses may be appropriate in areas where there is sufficient retail to serve the community and space for employment uses is needed." (**pg. 5.5**)

   The property is also located in the Crosstown Corridor Study Area (now the Midtown Corridor Study Area) as indicated on *the Plan Framework Map*. "Once planned improvements are complete, the road will play a critical role in the region's transportation network. The improved access and increase in traffic volumes will increase the attractiveness of the corridor for development and redevelopment, thus providing opportunities for the city to encourage the creation of high quality destinations for shopping, working and living". (**pg 4.12**)

2. **Zoning.** The subject property was annexed into the City in 1870. The existing I-2, Light Industrial District was established in 1978.
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 22, 1987, Council approved the conditional use permit (CUP) petition of Free Clinic of Central Virginia, Inc. to allow a health clinic in an existing church building at 1022 Floyd Street.
- On September 8, 1987, Council approved the rezoning petition of Lynchburg Covenant Fellowship to rezoned 1402 Fillmore Street from R-3, Two-Family Residential District to R-4, Multi-Family Residential District to allow the operation of a thirteen (13) apartment residential care center.
- On September 8, 1987, Council approved the petition of Lynchburg Covenant Fellowship for a CUP to allow a residential care center for the mentally handicapped at 1402 Fillmore Street.
- On August 8, 1995, Council approved the rezoning petition of Virgil Naff, Jr. to rezone 1805 12th Street from I-2, Light Industrial District to B-5, General Business District (Conditional) to allow retail sales, storage and repair service.
- On June 13, 2000, Council approved the petition of Smyrna Seventh Day Adventist for a conditional use permit to allow a temporary tent revival at 902-904 Floyd Street.
- On January 8, 2007, Council approved the rezoning petition of HROK, LLC to rezone 1401, 1405, 1415, 1417 and 1501 Kemper Street from B-3, Community Business District (Conditional) to B-3, Community Business District (Conditional) to amend previously approved proffers related to a cluster commercial development.
- On January 8, 2007, Council approved the petition of HROK, LLC, for a conditional use permit to amend a previously approved cluster commercial development at 1401, 1405, 1415, 1417 and 1501 Kemper Street.
- On February 13, 2007, Council approved the rezoning petition of Lynchburg Neighborhood Development Foundation to rezone 1402 Fillmore Street from R-4, Multi-Family Residential District (Conditional) to R-4, Multi-Family Residential District (Conditional) to amend previously approved proffers.
- On August 14, 2007, Council approved the petition of HROK, LLC, for a conditional use permit (CUP) to allow a cluster commercial development at 1401, 1405, 1415, 1417 and 1501 Kemper Street.

- On August 14, 2007, Council approved the rezoning petition of HROK, LLC to rezone 1401, 1405, 1415, 1417 and 1501 Kemper Street from I-2, Light Industrial District to B-3, Community Business District (Conditional) to allow a cluster commercial development.
- On May 12, 2009, Council approved the rezoning petition of Cameron Lofts, LP to rezone 1300 Campbell Avenue from I-2, Light Industrial District to B-5, General Business District (Conditional) to allow the use of an existing building for sixty-two (62) apartments.
- On January 12, 2010, Council approved the (CUP) petition of Jennings Dorm, LLC, to allow one hundred and seven (107) apartments in an existing building at 1300 Campbell Avenue.

6. **Site Description.** The subject property is a tract of forty-nine hundredths (0.49) of an acre located at the intersection of 12th and Kemper Streets. The site contains a four thousand two hundred seventy nine (4,279) square foot building constructed in 1959.

7. **Proposed Use of Property.** The purpose of this petition is to allow a church with fifty (50) seats and a child care facility for up to twenty-five (25) children between the ages of sixteen (16) months to five (5) years between the hours of 7:30 a.m. to 5:30 p.m. and an after school program for children between five (5) and twelve (12) years old.

   The proposal would also correctly stripe sixteen (16) parking spaces for use by the church and child care facility.

8. **Traffic, Parking and Public Transit.** The vehicle trip threshold for the proposed use is less than the five hundred (500) daily trips and the fifty (50) peak hour trips that would warrant a traffic study. The City Engineer noted that the parking as originally shown conflicted with the existing entrances. The site plan was revised to relocate parking spaces in a manner that did not conflict with the existing entrances.

   The City's Project Manager for the Midtown Connector indicated that the existing entrance located at 12th and Kemper Streets would be closed after the construction of the Midtown Connector is completed. Construction of the Midtown Connector is anticipated to start in the spring of 2012. Improvements in this area will include the widening of the intersection at 12th and Kemper Streets. All right-of-way and easements for the construction of the Midtown Connector have been obtained. The site plan as proposed would not conflict with this construction.

   Parking requirements are established by the City's *Zoning Ordinance* at one (1) space per four (4) seats in the sanctuary. The submitted site plan indicates that a total of sixteen (16) parking spaces are proposed of which thirteen (13) are required.

   The property is served by Greater Lynchburg Transit Company's Route 2.

9. **Stormwater Management.** The site plan as proposed would reduce the amount of impervious area currently existing on the site with the installation of landscaped islands throughout the parking area. A stormwater management plan is not required.

10. **Emergency Services.** The City's Fire Marshal had no comments of concern regarding the project as proposed.

    The police department provided recommendations for the installation of lighting, no trespassing signs and alarms/security cameras. These comments are being considered by the petitioner.

11. **Impact.** The *Future Land Use Map (FLUM)* recommends a Community Commercial use for the area. After construction of the Midtown Connector is complete, it is anticipated that the

property will be redeveloped for a retail use as indicated in the *Comprehensive Plan*. The rezoning of the property from I-2, Light Industrial District to B-3, Community Business District would bring the church into compliance with the *Zoning Ordinance* and allow the operation of a child care facility. The operation of the church and child care facility is most likely an interim use until the property is redeveloped. Having the property zoned for commercial use is more appropriate for the area and could foster economic development once the Midtown Connector is complete.

12. **Technical Review Committee.** The Technical Review Committee (TRC) reviewed the preliminary site plan on August 2, 2011. Comments related to the proposed use have or will be addressed by the petitioner prior to final site plan approval.

VI. PLANNING DIVISION RECOMMENDATION

Based on the preceding Findings of Fact, the Planning Commission recommends to City Council approval of the petition of Ricardo and Cynthia Marshall to rezone forty-nine hundredths of an acre (0.49) from I-2, Light Industrial District to B-3, Community Business District to allow the operation of a church and child care facility.

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 Kozerow, Lynchburg Police Department
Battalion Chief Greg Wormser, Fire Marshal
Mr. Doug Saunders, Building Commissioner
Mr. Robert Fowler, Zoning Administrator
Ms. Erin Hawkins, Environmental Reviewer
Ms. Cynthia Marshal, Representative

VII. ATTACHMENTS

1. **Vicinity Zoning Pattern**
2. **Vicinity Proposed Land Use**
3. **Watershed Location Map**
4. **Site Plan**
5. **Narrative**
6. **Photos**

MINUTES FROM THE AUGUST 24, 2011 PLANNING COMMISSION MEETING (MINUTES HAVE BEEN APPROVED):

a. **Petition of Ricardo and Cynthia Marshall, Come As You Are Ministries to rezone approximately forty-nine hundredths (0.49) of an acre at 1713 12th Street and 1110 Kemper Street from I-2, Light Industrial District to B-3, Community Business District to allow the use of the existing building as a church and child care facility.**

Mr. Henry had the following comments for the commissioners. The property is located at the northwest corner of the intersection of Kemper and 12th Streets. The existing I-2 zoning was established in 1978 with the adoption of the current *Zoning Ordinance* and encompasses most of this portion of Kemper Street. The prevalent zoning in the east is B-5. The *Comprehensive Plan* recommends Community Commercial uses in this area. Community Commercial areas contain retail, personal service, entertainment and restaurant uses that draw customers from at least several neighborhoods to the entire city.

The vehicle trip threshold for the existing and proposed uses is less than the five hundred (500) daily trips and fifty (50) peak hour trips that would warrant a traffic study. The City's project manager for the Midtown Connector indicated that the existing entrance located at 12th and Kemper Streets would be closed after the construction of the Midtown Connector. Construction of that Midtown Connector is anticipated to start in the spring of 2012. Improvements in this area would include the widening of the intersection at 12th and Kemper Streets. All right-of-way and easements have been obtained at this time. The site plan, as proposed, would not conflict with this construction.

A stormwater management plan will not be required for this project. Once the landscaped islands have been installed within the parking lot, the amount of impervious surface will be reduced on the site.

The *Future Land Use Map* recommends a Community Commercial use for this area. After construction of the Midtown Connector is complete, it is anticipated that the property will be redeveloped for a retail use as indicated on the *Comprehensive Plan.* The rezoning from the property from I-2 to B-3 would bring the church into compliance with the *Zoning Ordinance* and allow the operation of the child care facility. The operation of the church and child care facility is most likely an interim use until the property is redeveloped. Having the property zoned for commercial use is more appropriate for the area and could foster economic development once the Midtown Connector project is complete. Therefore, staff recommends approval of the rezoning.

Ricardo and Cynthia Marshall came forward to represent the petition. Mrs. Marshall said they are excited about redeveloping the area--the 12th Street area all the way down to Main Street and some going back to Fort Avenue. The church has been a vital part of the community. They are drawing in families from the 12th Street area. Mr. Marshall also commented that he is anxious to move forward as well and their plans seem to be in accordance with the City's plans for the area.

Chair Hamilton asked if there was anyone else to speak in favor of the petition. No one came forward. She asked if there was anyone to speak in opposition to the petition. No one came forward. She closed the public hearing portion of the petition.

Commissioner Sale asked if the building was used as an auto parts store previously. Mr. Marshall said that is correct. Chair Hamilton asked about the playground. Mrs. Marshall said it will be fairly small. The toys will be taken inside at night. Chair Hamilton asked how it would be covered. Mrs. Marshall said it would be fenced in and mulch will be placed over the asphalt. Mrs. Marshall clarified that just the playground will be fenced.

Commissioner Hooper asked for clarification on why this required a rezoning. Staff explained that the rezoning is necessary in order to the church to continue meeting there and for the child care facility to start its operation, as those uses are not permitted in an I-2 district.

Commissioner Coleman has visited the site and the redevelopment has already started taking place there through this ministry. He thinks it is positively impacting the area. He suggests that we move forward on this because we need more of these types of activities to help improve our community, particularly that area of the City.

Chair Hamilton commented that given the way that street is developing, it makes sense for that part of the City to be developed as B-3 rather than I-2.

Commissioner Coleman made the following motion, which was seconded by Commissioner Hannon:

"That the Planning Commission recommends to City Council approval of the petition of Ricardo and Cynthia Marshall to rezone forty-nine hundredths of an acre (0.49) from I-2, Light Industrial District to B-3, Community Business District to allow the operation of a church and child care facility."

Commissioner Swienton mentioned that he had gone to the site at a time when parents might be picking up the children and imagined what it might be like in the winter in the dark. He did not find that to be a potential safety issue and feels that the proposed use is certainly appropriate.

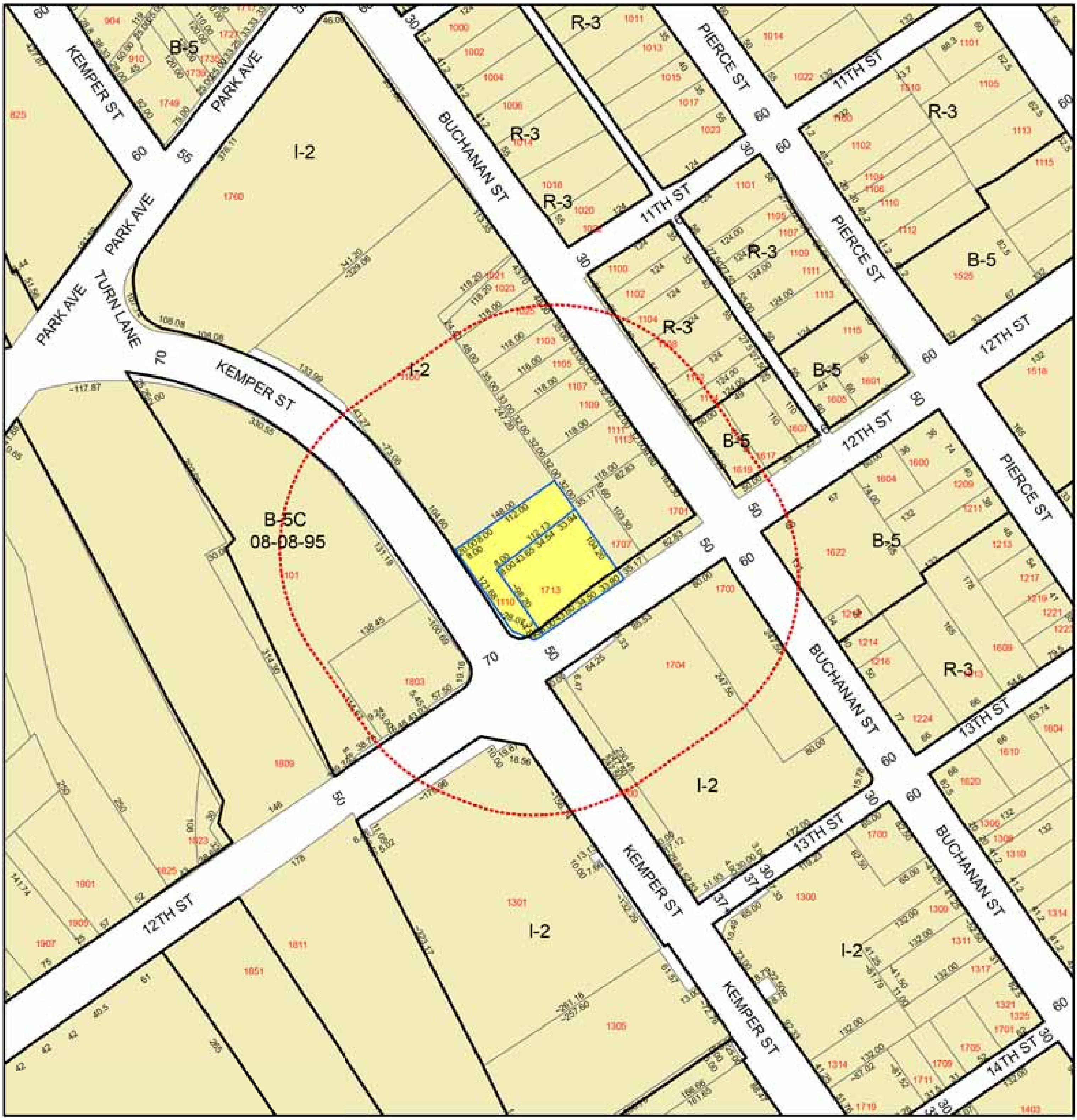
The motion passed by the following vote:

AYES:	Barnes, Coleman, Hamilton, Hannon, Hooper, Sale and Swienton	7
NOES:		0
ABSTENTIONS:		0
ABSENT:		0

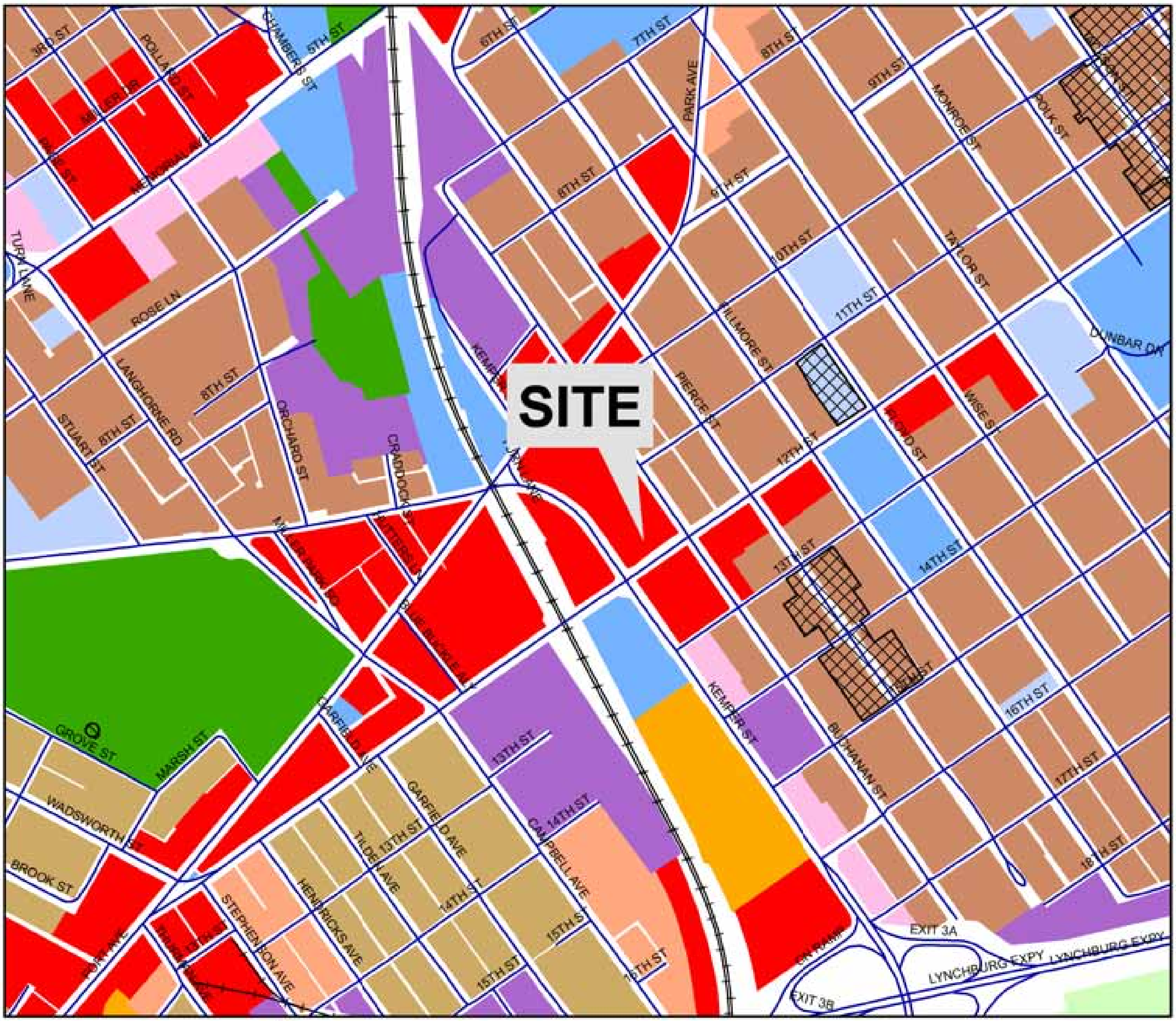
COME AS YOU ARE MINISTRIES
REZONING FROM I-2 TO B-3
1713 12th STREET/1110 KEMPER STREET

Subject Property

200 Foot Buffer



PIN	Owner	Local Address
01057003	ALFRED MARSHALL CRAWFORD LLC	1025 BUCHANAN STREET
01049013	ASHKOR REAL ESTATE LLC	1108 BUCHANAN STREET
01057004	MICHAEL W BARKER	1103 BUCHANAN STREET
01057007	C RANDOLPH & LILLIAN BEASLEY	1111 BUCHANAN STREET
01057006	C RANDOLPH & LILLIAN BEASLEY	1107 BUCHANAN STREET
01049015	CENTRAL CITY HOMES LP C/O EASLEY MCCALEB & ASSOCIATES	1102 BUCHANAN STREET
02601001	CITY OF LYNCHBURG C/O STEVE LAWSON	1200 KEMPER STREET
01057002	JAMES M CRAWFORD	1023 BUCHANAN STREET
01049011	GRAYSON E FERGUSON	1114 BUCHANAN STREET
01049010	GRAYSON E FERGUSON	1619 12TH STREET
01057008	GRAYSON E FERGUSON	1701 12TH STREET
01049014	DORA M S FOSTER	1104 BUCHANAN STREET
02701001	GREATER LYNCHBURG TRANSIT CO	1301 KEMPER STREET
01049012	CHRISTOPHER W JACKSON	1112 BUCHANAN STREET
01057005	EDWARD D SR & CLARA M JONES	1105 BUCHANAN STREET
01057010	MORRIS PROPERTY MANAGEMENT LLC	1713 12TH STREET
01057030	MORRIS PROPERTY MANAGEMENT LLC	1110 KEMPER STREET
01057013	VIRGIL NAFF JR	1803 12TH STREET
01057016	VIRGIL NAFF JR	1101 KEMPER STREET
01057011	JOHN F & PATRICIA H NICHOLS	1100 KEMPER STREET
01057009	HOWARD E STINNETT, TRUSTEE	1707 12TH STREET
02601011	GLENN A TRENT & JANE M RIGNEY-TRENT	1700 12TH STREET
02601010	GLENN A TRENT & JANE M RIGNEY-TRENT	1704 12TH STREET
02602001	ROBERT E WILLIAMS	1622 12TH STREET



☒	LocalHistoricDistrict
	Traditional Residential
	Low Density Residential
	Medium Density Residential
	High Density Residential
	Neighborhood Commercial
	Community Commercial
	Regional Commercial
	Employment 1
	Employment 2
	Office
	Institution
	Downtown
	Public Use
	Public Parks
	Resource Conservation
	Residential Mixed Use
	General Mixed Use
	Employment Mixed Use

LAND USE MAP
COME AS YOU ARE MINISTRIES
1713 12th STREET/1110 KEMPER STREET
REZONING FROM I-2 TO B-3

N

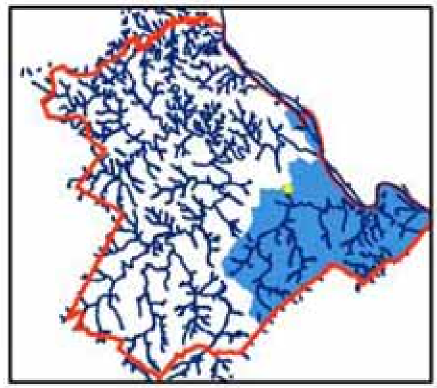
Come As You Are Ministries

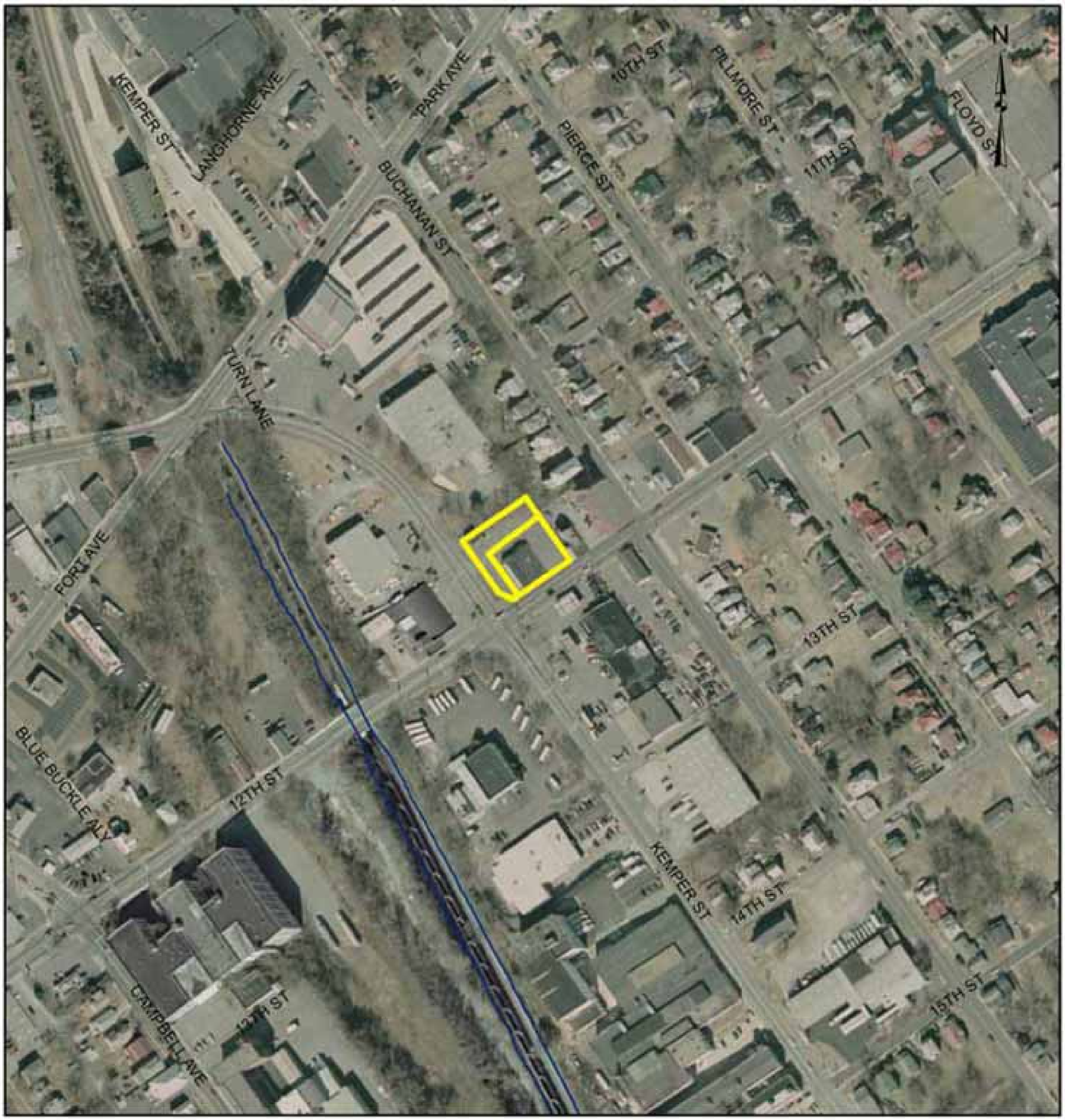
Watershed Location Map

Project Site

Fishing Creek

Corporate Limit





Come As You Are Ministries
1713 12th St. & 1110 Kemper Street
Rezoning I-2 to B-3

Proposed Use:
Church & Child Care Facility

Parking Requirements:
1 space per 4 seats
50 seats / 4 = 13 spaces
16 spaces provided

Scale 1 in. = 30 ft.

REZONING PROPOSAL

Subject: Request for Rezoning of 1713 12th Street, Lynchburg, Virginia
Applicant – Come As You Are Ministries "CAYA"

July 18, 2011

RECEIVED
JUL 18 2011
COMMUNITY DEVELOPMENT

Mr. Tom Martin
Department of Community Development
900 Church Street
Lynchburg, Va 24504

Dear Mr. Martin:

Come As You Are Ministries "CAYA" has been in operation since January of 2009 at 1713 12th street. This proposal is a request to have 1713 12th street rezoned in order for CAYA Ministries to continue operating as a church and to allow CAYA Ministries to operate a Child Development Center.

Our sanctuary is a 50 seat sanctuary which currently have 25 faithful members. Our services operate on Wednesday night at 7:00 p.m., for bible study, on Saturdays we have community prayer at 12:00 noon and community outreach at 1:00 p.m. On Sundays we have Sunday school at 10:00 a.m. and Sunday service at 11:00 a.m. We are passionate about our presence in the 12th street community and wish to continue our ministry outreach.

Come As You Are Ministries would like to open a Child Development Center, rezoning 1713 12th street would enable us to do so. The center will be open between the hours of 7:30 a.m. to 5:30 p.m. We would serve up to 25 children between the ages of 16 months to 5 years old. Once the Child Development Center is open and operating we would incorporate an after school program for children between the ages of 5 to12 years old. We are working along with Mike McKinney in inspections to make sure that the building is up to code. We have obtained inspections from the Fire Department and from the Department of Health in which we received approvals.

Thank you very much for your attention and consideration of this proposal.

Sincerely,

Ricardo Marshall Cynthia Marshall

Pastors Ricardo & Cynthia Marshall
Come As You Are Ministries "CAYA"

1713 12th Street
1110 Kemper Street

Come As You Are Ministries – 1713 12th Street, 1110 Kemper Street

Rezoning from I-2 to B-3

August 24, 2011

PLEASE PRINT

NAME	ADDRESS	PHONE	IN FAVOR	IN OPPOSITION	NEUTRAL
Cynthia Marshall	4629 Campbell		✓		
Ricardo Marshall	4629 Campbell		✓		

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **October 11, 2011** AGENDA ITEM NO.: 16

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

ACTION: **X** INFORMATION:

ITEM TITLE: **Conditional Use Permit (CUP) – Comprehensive Signage Plan: Lynchburg Municipal Employees Federal Credit Union - 3176 Fort Avenue**

RECOMMENDATION: Approval of the conditional use permit petition.

SUMMARY: Jane Foster, Manager/CEO, Lynchburg Municipal Employees Federal Credit Union, is petitioning for a conditional use permit at 3176 Fort Avenue to allow the replacement of the existing “changeable copy” sign with a “digital display” unit in an R-3, Medium Density, Two-Family Residential District. The Planning Commission recommended approval of the petition because:

- The petition agrees with the *Zoning Ordinance* which allows comprehensive signage plans in all zoning districts, except historic districts, with approval of a conditional use permit (CUP) from Council.

PRIOR ACTION(S):
September 14, 2011: Planning Division recommended approval of the CUP petition.

Planning Commission recommended approval (7-0) of the CUP petition with the following condition:

1. The sign will be constructed in substantial compliance with the rendering titled “Proposed Sign” dated September 8, 2011.

FISCAL IMPACT: None

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

ATTACHMENT(S):
- Resolution
- Planning Commission Report – September 14, 2011
- Planning Commission Minutes – September 14, 2011
- Vicinity Zoning Pattern
- Vicinity Future Land Use
- Watershed Location Map
- Site Plan
- Current Sign Photo
- Proposed Sign
- Narrative
- Property Photograph
- Speaker Signup Sheet

REVIEWED BY: lkp

RESOLUTION

A RESOLUTION GRANTING A CONDITIONAL USE PERMIT TO THE LYNCHBURG MUNICIPAL EMPLOYEES FEDERAL CREDIT UNION TO ALLOW FOR A COMPREHENSIVE SIGNAGE PLAN BY THE REPLACEMENT OF THE EXISTING “CHANGEABLE COPY” SIGN WITH A “DIGITAL DISPLAY” AT 3176 FORT AVENUE IN AN R-3, MEDIUM DENSITY, TWO-FAMILY RESIDENTIAL DISTRICT.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF LYNCHBURG that the petition of the Lynchburg Municipal Employees Federal Credit Union for a conditional use permit to allow a comprehensive signage plan to replace the existing “changeable copy” sign with a “digital display” at 3176 Fort Avenue in an R-3, Medium Density, Two-Family Residential District, is hereby approved subject to the following condition:

1. The sign will be constructed in substantial compliance with the rendering titled “Proposed Sign” dated September 8, 2011.

Adopted:

Certified: ______________________________
Clerk of Council

150L

The Department of Community Development

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

To: Planning Commission
From: Planning Division
Date: September 14, 2011
Re: **Conditional Use Permit (CUP) – Comprehensive Signage Plan – 3176 Fort Avenue**

I. PETITIONER

Ms. Jane T. Foster, Manager/CEO, Lynchburg Municipal Employees Federal Credit Union, 3176 Fort Avenue, Lynchburg, VA 24501
Representative: Ms. Jane T. Foster, Manager/CEO, Lynchburg Municipal Employees Federal Credit Union, 3176 Fort Avenue, Lynchburg, VA 24501

II. LOCATION

The subject property is a tract of twenty-seven and seventy five hundredths (27.75) acres located at 3176 Fort Avenue.
Property Owner: City of Lynchburg, City Manager's Office, 900 Church Street, Lynchburg, VA 24504

III. PURPOSE

The purpose of the petition is to allow the replacement of the existing "changeable copy" sign with a "digital display" unit.

IV. SUMMARY

- The *Comprehensive Plan 2002-2020's Future Land Use Map* (*FLUM*) recommends a Public Park use for the area.
- Petition agrees with the *Zoning Ordinance* which allows comprehensive signage plans in all zoning districts, except historic districts, with approval of a conditional use permit (CUP) from City Council.

<u>The Planning Division recommends approval of the CUP petition.</u>

V. FINDINGS OF FACT

1. **Comprehensive Plan.** The *Comprehensive Plan 2002-2020* recommends a Public Park use for the property. Public Park uses "represent existing public parks and recreation centers. These lands are owned by the City of Lynchburg or other governmental agencies and are intended to be open for public recreational use" **(pg. 9).**

   The majority of the property contains the Lynchburg City Stadium complex, which includes Calvin Falwell field and football fields primarily used by Heritage and E. C. Glass High Schools. The credit union is located in the building originally constructed as a caretaker's cottage in 1945.

2. **Zoning.** The subject property was annexed into the City in 1926. The existing R-3, Medium Density, Two-Family Residential District was established in 1978.

3. **Board of Zoning Appeals (BZA).** The Zoning Official has determined that no variances are needed for the development of the property as proposed.

4. **Surrounding Area.** There have been several items requiring City Council approval in the immediate area:

   - On June 14, 2011, Lynchburg City Council approved the petition of Spring Hill Cemetery Association for a CUP to allow the construction of an office addition and columbarium garden at 3000 Fort Avenue.
   - On April 13, 2010, Lynchburg City Council approved the rezoning petition of Lynchburg Midtown Lofts, LLC, to rezone 2734 Fort Avenue from I-2, Light Industrial District to B-3C, Community Business District (Conditional) to allow a cluster commercial development.
   - On April 13, 2010, Lynchburg City Council approved the CUP petition of Lynchburg Midtown Lofts, LLC, to allow a cluster commercial development at 2734 Fort Avenue.
   - On July 9, 2002, Lynchburg City Council approved the rezoning petition of Urban Alternative, Inc. to rezone 1601 Wythe Road from I-3, Heavy Industrial District to B-3C, Community Business District (Conditional) to allow the operation of a vocational training center.
   - On June 11, 1991, Lynchburg City Council approved the CUP petition of First Assembly of God Church to allow an eighty-four (84)-space parking area at 3135 Fort Avenue.
   - On October 13, 1981, Lynchburg City Council approved the rezoning petition of Nelson Wilson to rezone 2601 Murger Street and 908 Centerdale Street from R-3, Medium Density, Two-Family Residential District to B-5C, General Business District (Conditional) to allow warehouse and office uses.

5. **Site Description.** The subject property is a tract of twenty-seven and seventy-five hundredths (27.75) acres located at 3176 Fort Avenue. The property contains the Lynchburg City Stadium complex. The credit union is located in the former caretaker's cottage.

6. **Proposed Use of Property.** The purpose of this petition is to allow the construction of a new sign for the Lynchburg Municipal Employees Federal Credit Union that would contain a digital display unit. The sign would be constructed to the same dimensions (forty-eight (48) square feet) as the current sign and would use the existing sign base.

7. **Traffic, Parking and Public Transit.** N/A.

8. **Stormwater Management.** N/A.

9. **Emergency Services:** N/A.

10. **Impact.** The Lynchburg Municipal Employees Federal Credit Union was founded in 1961 and moved to its current location in the early 1990's. The structure in which the credit union is located was originally the caretaker's cottage and was constructed in 1945. The credit union makes use of its marquee sign to disseminate information to its members. Often, the existing marquee sign is blocked by parked cars. This has resulted in the credit union requesting to reconstruct its sign to the same dimensions as existing (forty-eight (48) square feet) with a digital marquee at the top of the sign, which would be more visible to its members. Since the

sign is only visible from inside the stadium complex, it should have little to no impact on the surrounding area.

11. **Technical Review Committee.** The Technical Review Committee (TRC) reviewed the preliminary site plan on August 16, 2011. Comments related to the proposed use have been addressed.

VI. PLANNING DIVISION RECOMMENDATION

Based on the preceding Findings of Fact, the Planning Commission recommends to City Council approval of the petition of the Lynchburg Municipal Employees Federal Credit Union for a conditional use permit at 3176 Fort Avenue to allow a comprehensive signage plan subject to the following condition:

1. The sign will be constructed in substantial compliance with the rendering titled "Proposed Sign" dated September 8, 2011.

This matter is respectfully offered for your consideration.

William T. Martin

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 Kozerow, Lynchburg Police Department
Battalion Chief Greg Wormser, Fire Marshal
Mr. Doug Saunders, Building Commissioner
Mr. Robert Fowler, Zoning Administrator
Ms. Erin Hawkins, Environmental Reviewer
Ms. Jane Foster, Representative

VII. ATTACHMENTS

1. **Vicinity Zoning Pattern**
2. **Vicinity Proposed Land Use**
3. **Watershed Location Map**
4. **Site Plan**
5. **Current Sign**
6. **Proposed Sign**
7. **Narrative**

MINUTES FROM THE SEPTEMBER 14, 2011 PLANNING COMMISSION MEETING (MINUTES HAVE BEEN APPROVED):

a. Petition of Lynchburg Municipal Employees Federal Credit Union for a conditional use permit at 3176 Fort Avenue to allow a comprehensive signage plan which would include a digital display in an R-3, Medium-Density Residential District.

Mr. Henry Martin had the following comments for the commissioners. The credit union is a former caretaker cottage constructed in 1945. It is located behind the City stadium near Wythe Avenue. The conditional use permit for the Lynchburg Municipal Employees Federal Credit Union would allow for the replacement of an existing changeable copy sign with a digital display unit, as part of a comprehensive sign package.

The new sign would be the same dimensions as the existing sign, which is forty-eight (48) square feet and the existing sign base would remain. Often the existing marquee sign is blocked by parked cars. This has resulted in the credit union requesting to reconstruct its sign with a digital marquee at the top of sign, which would be more visible to its members. Since the sign is only visible from the inside of the stadium complex, it should have little to no impact on the surrounding area. Therefore, staff recommends approval of the conditional use permit petition.

Ms. Jane Foster of the credit union came forward to represent the petition. Mr. George Springer was also present. Ms. Foster explained that it is one of the original credit unions; they do not have any other means of marketing. They send newsletters to its members, but it is not community chartered, so they do not do advertising on television or in the newspaper. This sign would be very beneficial to the credit union in advertising to its members. She mentioned that the credit union celebrated its fiftieth anniversary last month and the largest group it serves is the City of Lynchburg.

Chair Hamilton asked if anyone else was present to speak in favor of the petition. No one came forward. She asked if anyone was present to speak in opposition to the petition. No one came forward. She closed the public hearing portion of the petition.

Commissioner Sale asked if it was computer generated copy. Ms. Foster said that is correct and the messages will be addressed to the members. Ms. Foster said it is a $19 million credit union and currently has 4,200 members.

Commissioner Swienton made the following motion, which was seconded by Commission Sale:

"That the Planning Commission recommends to City Council approval of the petition of the Lynchburg Municipal Employees Federal Credit Union for a conditional use permit at 3176 Fort Avenue to allow a comprehensive signage plan subject to the following condition:

1. **The sign will be constructed in substantial compliance with the rendering titled "Proposed Sign" dated September 8, 2011.**

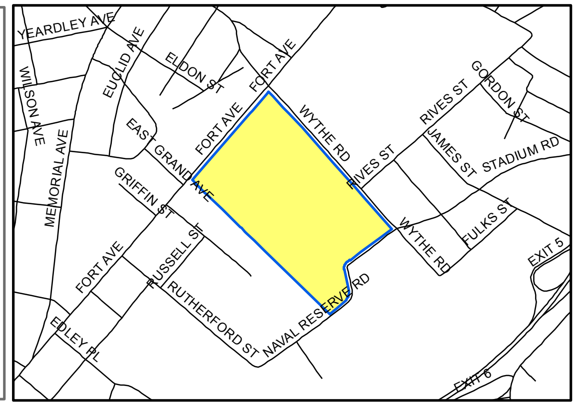
The motion passed by the following vote:

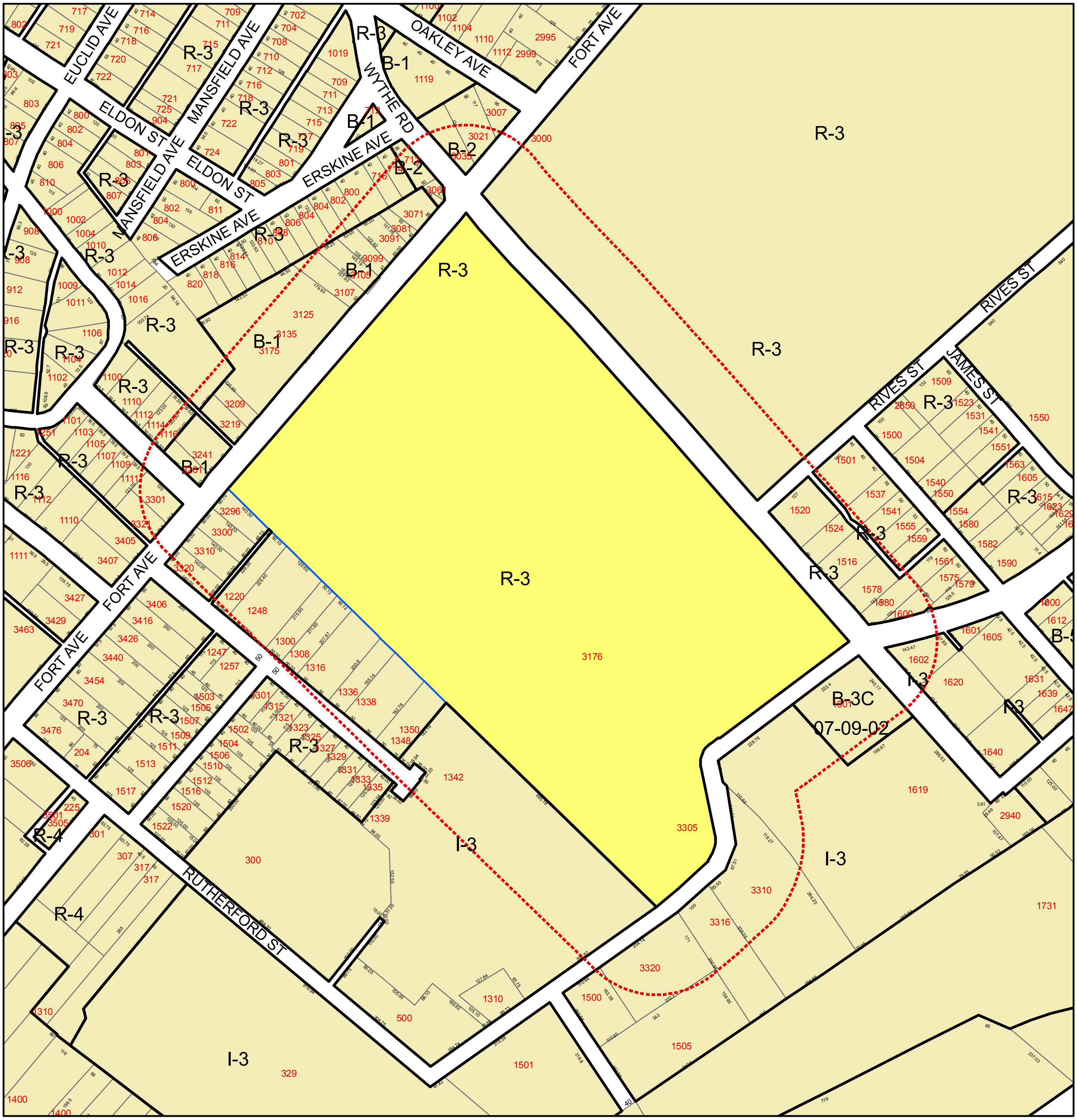
AYES:	Barnes, Coleman, Hamilton, Hannon, Hooper, Sale and Swienton	7
NOES:		0
ABSTENTIONS:		0
ABSENT:		0

LYNCHBURG MUNICIPAL EMPLOYEES FEDERAL CREDIT UNION
CONDITIONAL USE PERMIT
3176 FORT AVENUE
Vicinity Zoning Pattern Map

Subject Property

200 Foot Buffer

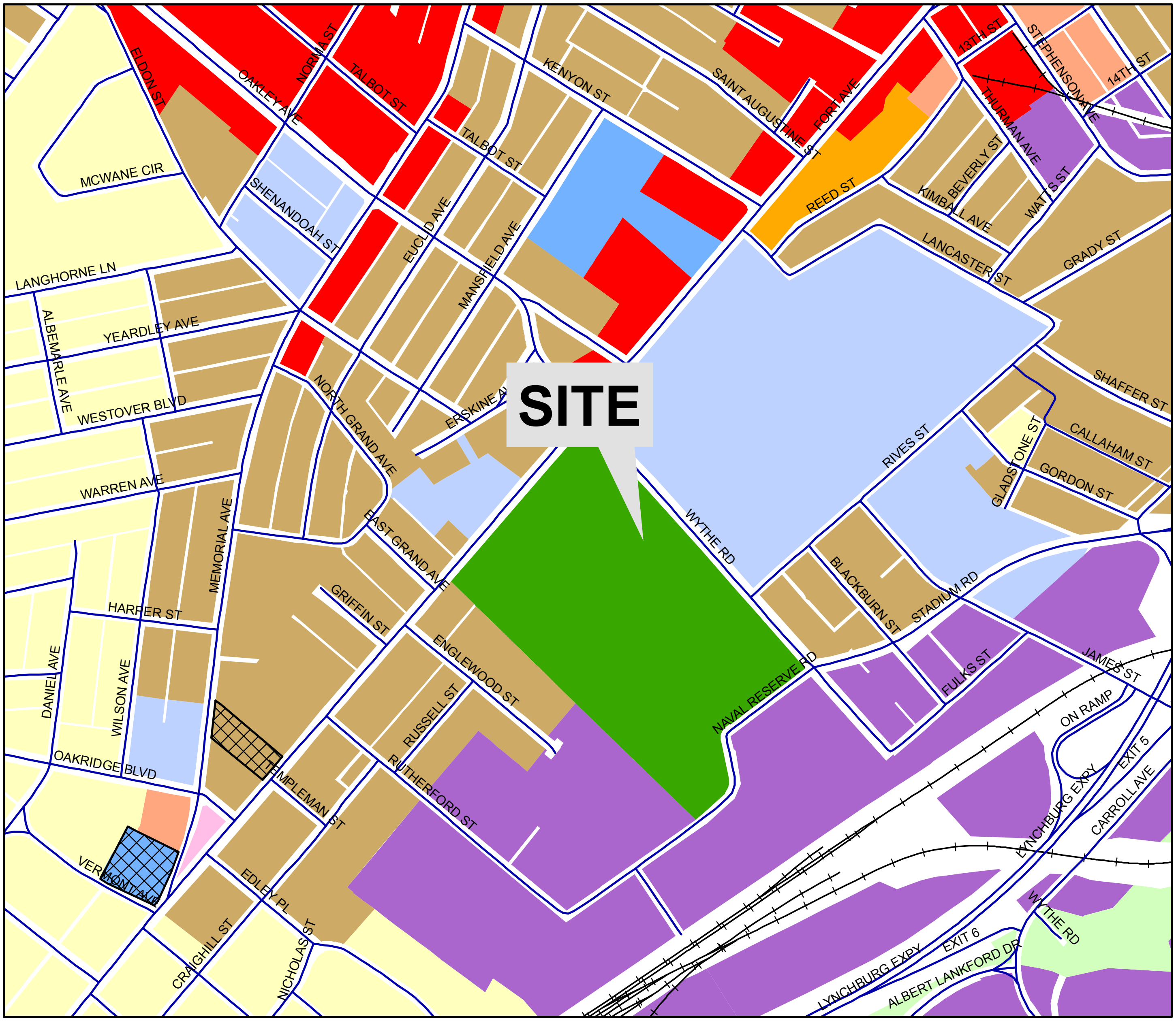


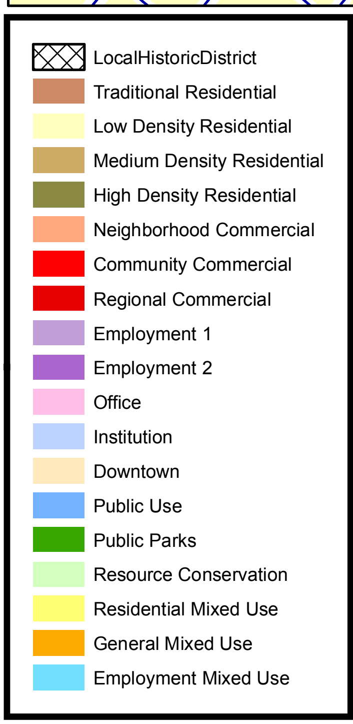


Lynchburg Municipal Employees Federal Credit Union Adjoining Property Owners

PIN	Owner	Local Address
03005019	A RAY MAWYER & IRIS M LAWSON	3241 FORT AVENUE
03005021	A RAY MAWYER & IRIS M LAWSON	3261 FORT AVENUE
01203025	ALVIA L BURFORD & DARRELL A BROOKS	712 ERSKINE AVENUE
02807040	BANKER STREETEEL CO LLC	1619 WYTHE ROAD
02807013	BETTY J AUSTIN	1220 ENGLEWOOD STREET
02807005	CHARLES & MARY MCGEOCH	1348 ENGLEWOOD STREET
02807009	CHARLES R & DONNA P TUCKER	1336 ENGLEWOOD STREET
03014017	CHRISTI L SALISBURY	3321 FORT AVENUE
01202001	CITY OF LYNCHBURG C/O STEVE L.AWSON	3176 FORT AVENUE
02807046	CMB PROPERTIES LLC	3316 NAVAL RESERVE ROAD
02806023	COLEMAN EQUITIES LLC	1620 WYTHE ROAD
02807011	DANA L HORNE	1308 ENGLEWOOD STREET
01203024	DARRELL A BROOKS	714 ERSKINE AVENUE
01203002	DELTA D GIBSON	3081 FORT AVENUE
01203023	DIANE B GOWEN	716 ERSKINE AVENUE
02807010	DOLLY A M CHENAULT	1316 ENGLEWOOD STREET
01203031	FIRST ASSEMBLY OF GOD CHURCH OFLYNCHBURG VA INC	3125 FORT AVENUE
03014015	FRANCES E WILKINSON	1111 EAST GRAND AVENUE
01203028	G & G VIDEO INC	3007 FORT AVENUE
01203029	GERALD & DEBRA COLES	3105 FORT AVENUE
02807045	HFR PROPERTIES LLC	3310 NAVAL RESERVE ROAD
01203004	JAMAAL BURFORD	3099 FORT AVENUE
02807047	JENNINGS-WATTS OIL CO INC C/O WATTS PETROLEUM CORPORATION	1505 RUTHERFORD STREET
02806033	JULIE C GRUBBS	1516 WYTHE ROAD
02807007	KATHLEEN A NEWTON	1338 ENGLEWOOD STREET
03014016	LIGHTHOUSE BAPTIST CHURCH TRS	3301 FORT AVENUE
01203030	LISA C BURCH	3107 FORT AVENUE
02807048	LYNCHBURG GAS AKA COLUMBIA GAS	3320 NAVAL RESERVE ROAD
02807003	LYNCHBURG GAS AKA COLUMBIA GAS	1500 RUTHERFORD STREET
02807004	LYNCHBURG GROWS	1339 ENGLEWOOD STREET
02807014	MARCIA C A FARRAR & BETTY F AUSTIN & JAMES D AUSTIN	3320 FORT AVENUE
02807015	MARCIA C A FARRAR & BETTY F AUSTIN & JAMES D AUSTIN	3310 FORT AVENUE
01203020	MARTIN D & BERTIE L JONES	802 ERSKINE AVENUE
01203018	MARTIN D JONES	804 1/2 ERSKINE AVENUE
03005043	MATTHEW B FOSTER	1116 EAST GRAND AVENUE
01203001	MELKEN, LLC	3071 FORT AVENUE
01203019	MIMI SUPERNAW	804 ERSKINE AVENUE
02807039	NIPIT LLC	1601 WYTHE ROAD
01203021	PARIS C II & ANGELA L HUDNALL	800 ERSKINE AVENUE
03005018	PAUL K & LUCY C JOHNSON	3219 FORT AVENUE
03005017	PAUL K & LUCY C JOHNSON	3209 FORT AVENUE
02806031	PHILLIP R & CAROL LYNN COOPER	1578 WYTHE ROAD
01203026	RICHARD R ZECHINI	3035 FORT AVENUE
01203027	RICHARD R ZECHINI	3021 FORT AVENUE
01203032	ROY A ROBERSON JR	3061 FORT AVENUE
02807012	RUSSELL J JOHNSON	1248 ENGLEWOOD STREET
02807016	SAMUEL P & VIOLA H MASON	3300 FORT AVENUE
02807017	SAMUEL P & VIOLA H MASON	3296 FORT AVENUE
01203003	SHIRLEY G BARNETT	3091 FORT AVENUE
01201001	SPRING HILL CEMETERY	3000 FORT AVENUE
02806029	SPRING HILL CEMETERY ASSOCIATION	1600 WYTHE ROAD
02806030	SPRING HILL CEMETERY ASSOCIATION	1580 WYTHE ROAD
02806007	SPRING HILL CEMETERY ASSOCIATION	1559 BLACKBURN STREET
02806035	SPRING HILL CEMETERY ASSOCIATION	1524 WYTHE ROAD

02806006	SPRING HILL CEMETERY ASSOCIATION	1555 BLACKBURN STREET
02806005	SPRING HILL CEMETERY ASSOCIATION	1541 BLACKBURN STREET
02806036	SPRING HILL CEMETERY ASSOCIATION	1520 WYTHE ROAD
02806004	SPRING HILL CEMETERY ASSOCIATION	1537 BLACKBURN STREET
02807052	WANDA S TORRENCE	1300 ENGLEWOOD STREET
02806027	WILLIAM A & BARBARA A H ENGLEDOVE	1602 WYTHE ROAD
02806001	WILLIS, EMMA M LIFE ESTATE R L WILLIS & M R WILLIS REMAINDERMAN	1501 BLACKBURN STREET
Petitioner	Jane T. Foster, Manager/CEO, Lynchburg Municipal Employees Federal Credit Union	3176 FORT AVENUE



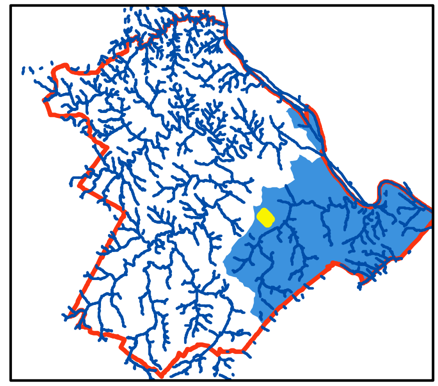


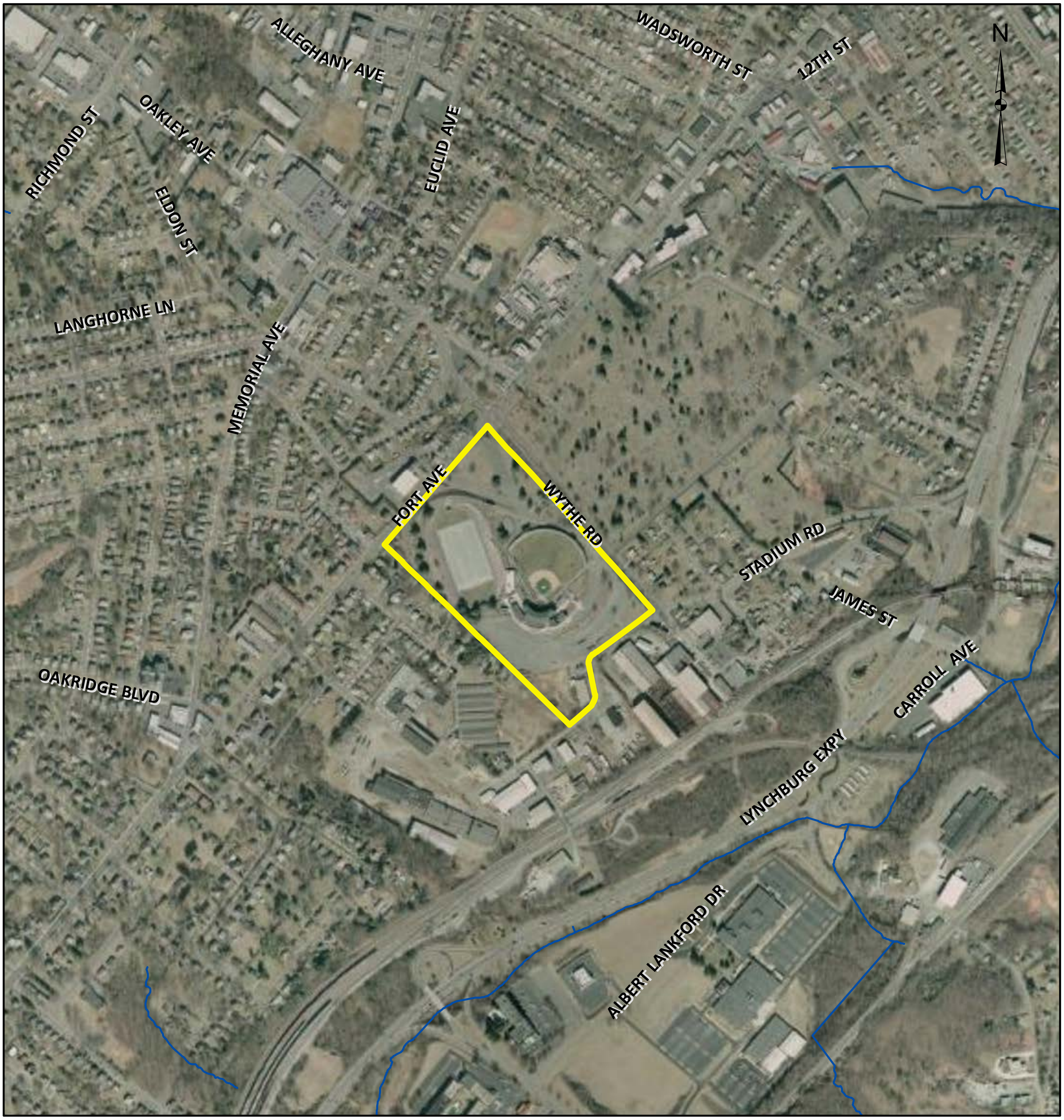
LAND USE MAP
LYNCHBURG MUNICIPAL EMPLOYEES FEDERAL CREDIT UNION
3176 FORT AVENUE
CONDITIONAL USE PERMIT

Lynchburg Municipal Employees Federal Credit Union

Watershed Location Map

- Project Site
- Fishing Creek
- Corporate Limit





The City of Lynchburg, VA

Legend

Corporate Limit

Addresses

Street Labels

Property Notes

Vacation

Legal Lot Line

Legal Lot Line

Vacated Right of Way

Parcels

RECEIVED

AUG 01 2011

COMMUNITY DEVELOPMENT

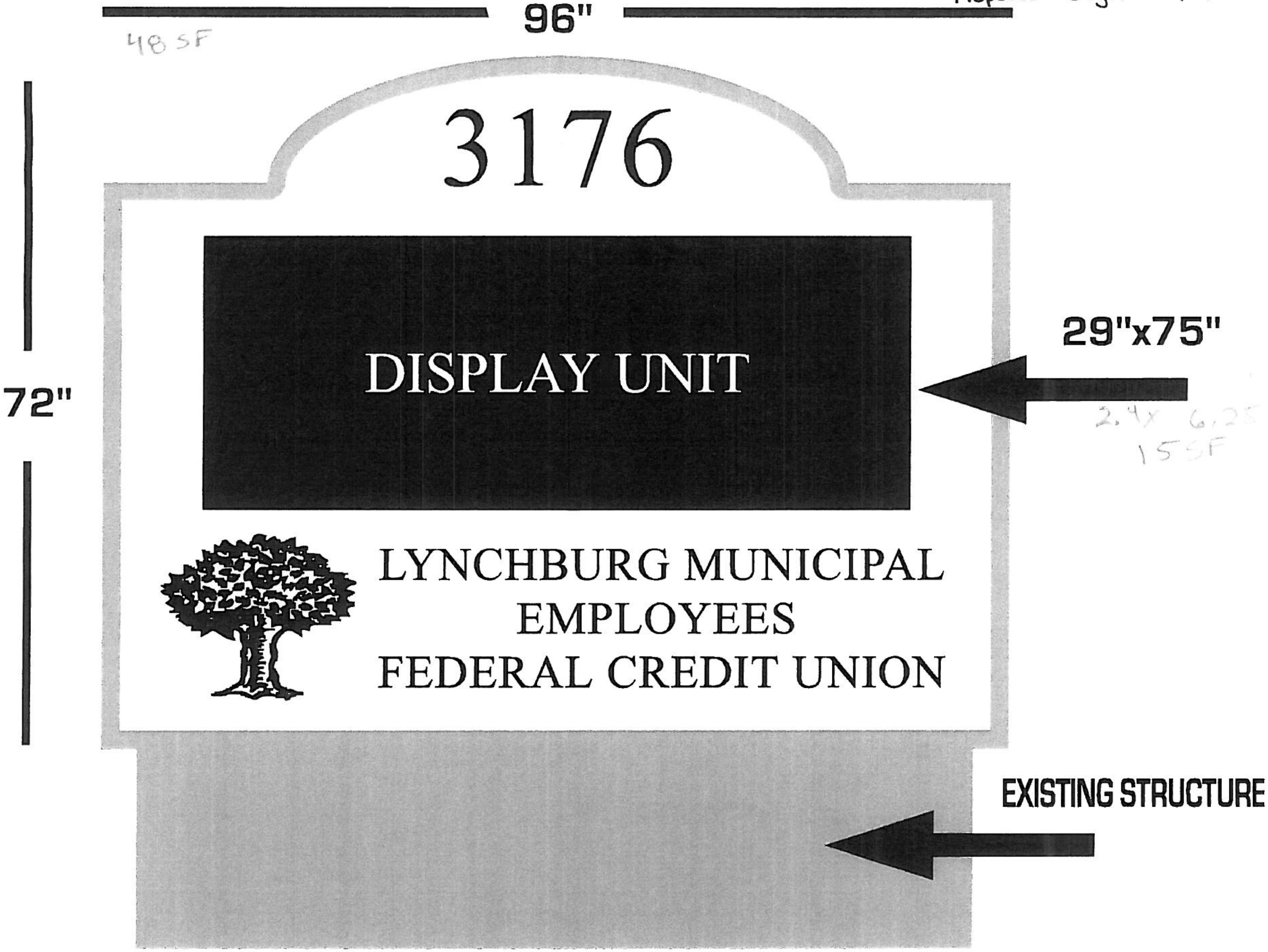
Feet

0 50 100 150 200

Title: Lynchburg Municipal Employees FCU Location **Date: 7/26/2011**


Lynchburg Municipal Employees
Federal Credit Union
RSVP
50TH ANNIVERSARY
2011 7 25

Proposed Sign 9/8/11



DOUBLE FACED URETHANE SIGN WITH WOODGRAIN FINISH
1 TWIN PACK DIGITAL DISPLAY UNITS AS SHOWN

August 22, 2011

Mr. Tom Martin, City Planner
City of Lynchburg
900 Church Street
Lynchburg, VA 24504

RE: LMEFCU SIGN REQUEST

Dear Tom,

It was a pleasure to meet you last week at the TRC Meeting. I would like to take this opportunity to give you a little more information about our Credit Union and our need for a new sign.

On August 8, 1961, seven city employees had the foresight and vision that a Credit Union would be beneficial to the employees of the City of Lynchburg. Over the past 50 years, the Credit Union has tried to remain true to the vision by providing financial needs to its members. We have maintained our originality by mainly serving the City Employees. We offer many services including savings, certificates and club accounts; as well as, checking, ATM, debit and credit cards. We offer a variety of loans, such as signature, unsecured, vehicle, home improvement and home equities. Our goal has always been to keep our members number one.

The Board of Directors believes in returning income back to the membership in the form of loan interest refunds, savings bonuses, as well as high paying Christmas and Travel Clubs. We have grown by leaps and bounds over the past fifty years; currently having over 4,200 members and $19 Million in assets.

Our only advertisement is a quarterly newsletter mailed to our members and our current marquee sign in front of our premises. Our current marquee sign is sometimes blocked from view if cars are parked in our lot and it further requires our staff to manually change any announcements. Our purpose for requesting the new digital sign would allow us to communicate more effectively and frequently with our members in a more modern style. The sign would be viewed by members who are already coming to the Credit Union or visiting the drive-thru and ATM. We are not asking for any additional space, the new sign would conform to the size of the existing sign.

3176 Fort Avenue, Lynchburg, VA 24501 TEL: (434) 845-1013 FAX: (434) 845-3209 www.lmefcu.org

We have remained true to our mission; always keeping in mind that we are "People, Helping People and would appreciate any help you can give us in this matter.

Should you have any questions, please feel free to contact me at 434-845-1013.

Sincerely,

Jane T. Foster

Jane T. Foster
Manager/CEO

jtf

Lynchburg Municipal Employees Federal Credit Union

Conditional Use Permit

September 14, 2011

PLEASE PRINT

NAME	ADDRESS	PHONE	IN FAVOR	IN OPPOSITION	NEUTRAL
JANE T. Foster	132 Howard D' 24572	9296220	LMEFCU		
George Springer	2099 Rivermont Rd. - Mad Hgts	845-7217	LMEFCU		

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **October 11, 2011** AGENDA ITEM NO.: 17

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

ACTION: INFORMATION:

ITEM TITLE: ***Zoning Ordinance* Amendment – Section 35.1-22, Buildings, uses and lots**

RECOMMENDATION: Approval of the *Zoning Ordinance* Amendment

SUMMARY: Section 35.1-22, Buildings, uses and lots of the *Zoning Ordinance* currently requires an improved city street to extend across the entire street frontage of a lot prior to a building permit being issued. This requirement could be viewed as detrimental to promoting "infill" development. The requirement also results in streets that:

1. Provide access to land not owned by the person constructing the street;
2. May never be utilized;
3. Vary in cost depending on the amount of the street frontage of the lot;
4. Increase development costs

An analysis of the City's Geographic Information Systems (GIS) parcel data indicates that seven hundred eighty-four (784) vacant parcels with frontage on a "paper" street exist within the city. The parcels comprise eight hundred twenty-eight (828) acres and have no 'physical" means of access. City staff has developed consensus that the best method of promoting development on these lots is to reduce the amount of required street frontage to twenty-five (25) feet past the driveway entrance. The reduced street frontage requirement would only apply to existing lots and would still provide adequate access for emergency and other city services.

At the September 13, 2011, Physical Development Committee Meeting, Councilman Gillette questioned how the proposed and existing ordinance related to "large lot" subdivisions. Section 24.1-5(28) of the *Subdivision Ordinance* defines a subdivision as "the division of any tract, parcel or lot of land into two (2) or more parts". When a subdivision is proposed, the drafted amendment to Section 35.1-22, Buildings, uses and lots of the *Zoning Ordinance* would not be pertinent, as it only reduces the amount of required street frontage for existing lots. When new lots are proposed to be created, the existing language of Section 35.1-22, Buildings uses and lots would apply and a new street constructed to city standards would be required across the entire frontage of the "new" lots. In some instances, the extension of a street would not be required. Section 24.1-5(28) of the *Subdivision Ordinance* provides that the term subdivision "shall not include the division of land into ten (10) acres or more for agricultural purposes, provided no new streets are required" and further provides that the city planner may "permit the separation of one (1) parcel from a tract of land without complying with all requirements of this ordinance if it is (1) not in conflict with the general meaning and purpose of the ordinance, and (2) no new streets are required to serve the parcel". Section 24.1-45, Exceptions of the *Subdivision Ordinance* provides that the City Planner may authorize an exception to the ordinance if the "departure may be made without destroying the intent of such provisions." On occasion, the authorization to grant an exception established by Section 24.1-45 of the *Subdivision Ordinance* has been used to facilitate the transfer of large tracts prior to development. In these instances, notes have been added to the recorded plat requiring the extension of improved city streets and utilities prior to the issuance of any building permits.

The Planning Commission recommended approval of the Zoning Ordinance amendment because:

- The *Comprehensive Plan 2002-2020* recommends promoting the construction of new housing and rehabilitation of existing housing to satisfy the demands of an increasingly diverse local and regional housing market.
- The amendment would promote the development of existing vacant lots regardless of zoning designation.

PRIOR ACTION(S):

March 11, 2009:	Planning Commission initiated an amendment to the *Zoning Ordinance* regarding street frontage.
July 27, 2011:	Planning Division recommended approval of the *Zoning Ordinance* amendments. Planning Commission recommended approval (7-0) of the *Zoning Ordinance* amendments.
September 13, 2011:	Physical Development Committee recommended forwarding to full Council for public hearing.

FISCAL IMPACT: None

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

ATTACHMENT(S):
- Ordinance
- Planning Commission Report – July 27, 2011
- Planning Commission Minutes – July 27, 2011
- Planning Commission Resolution – March 11, 2009
- Standard Detail #24.02

REVIEWED BY: lkp

ORDINANCE

AN ORDINANCE TO AMEND AND REENACT SECTION 35.1-22 OF THE CODE OF THE CITY OF LYNCHBURG, 1981, RELATING TO BUILDINGS, USES AND LOTS.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LYNCHBURG:

1. That in order to promote the public necessity, convenience, general welfare and good zoning practice, Section 35.1-22 of the Code of the City of Lynchburg is hereby amended and reenacted as follows:

Sec. 35.1-22. Buildings, uses and lots.

(a) Building lot required. Every building or structure hereafter erected shall be located on a lot as herein defined. Where more than one (1) building is erected on a single lot, open spaces or courts shall be provided between buildings as provided herein.

(b) Street frontage required. No permit shall be issued for any land use or structure unless the lot on which such land use is to be established or such structure is to be built has frontage providing access on at least one (1) dedicated, improved street extending across the entire front of the lot where right-of-way extends on the property line with at least twenty (20) feet of pavement with fifty (50) feet of right-of-way. ~~, or unless the lot is an existing lot of record on 9/12/89 and has a perpetual unobstructed easement of access at least thirty (30) feet wide to such a street to serve one (1) single-family dwelling or duplex residence .~~ This requirement may be waived by the city council in the case of planned unit developments, cluster commercial developments, traditional neighborhood developments, and townhouse lots for sale complexes where adequate public and private access is provided to such land use or structure.

(c) Reduced street frontage requirements. A permit may be issued for a land use or structure on a lot with less than the required street frontage if:

(1) The lot fronts on a cul-de-sac, in which case the minimum street frontage shall be thirty (30) feet; or

(2) The lot is a flag lot meeting the requirements of Section 24.1-28.1 Flat lots.

(3) The lot is an existing lot of record on September 12, 1989 and has a perpetual unobstructed easement of access at least thirty (30) feet wide to such a street to serve one (1) building.

(4) The lot is an existing lot of record on July 11, 2011, in which case the lot shall provide access on at least one (1) dedicated, improved street extending a minimum of twenty-five (25) feet past the driveway accessing the lot.

(d) Yard and open space. No yard or open space required or provided about any building on one (1) lot for the purpose of complying with the provisions of this ordinance shall be considered as providing a yard or open space for a building on any other lot.

Where more than one (1) building is erected on a lot, an open space or court shall be provided between the buildings. Such open space shall be equal in width to twice the width of a side yard required for the district in which the buildings are located. No dwelling, however, shall be erected in the rear of another building on the same interior lot.

(e) Reduction or subdivision of lots. No lot shall be subdivided or reduced in area in such a way that existing lots or structures are brought into nonconformance with the regulations of this ordinance.

(f) Lots under water or within the one hundred (100) year floodplains. No more than ten percent (10%) of the minimum area requirements of a lot, or the area used to calculate floor area ratios or permitted number of dwelling units, may be fulfilled by land which is under water, in marshland or in the one hundred (100) year floodplain as determined by the department of public works, City of Lynchburg.

(g) New buildings on lots less than the required minimum area. A permit may be issued for the erection of a building for a permitted use on a lot existing before the adoption of this ordinance, not withstanding that the area or dimensions of such lot are less than that required for the district in which such lot lies, providing:

(1) That no use other than a single-family dwelling will be permitted;

(2) That all yard setbacks and other requirements which are in effect at the time of the obtaining of the building permit are complied with; and

(3) That the owner of such a lot did not own other lots contiguous thereto at the time of the adoption of this ordinance. If the latter is the case, such lot, or so much thereof as may be necessary, shall be combined with the first named lot to make one (1) or more conforming lots, whereupon a permit may be issued, but only for such combined lots. Where the required area of dimensions of lots are changed by an amendment of this zoning ordinance, any legal lot existing at that date, and made nonconforming by such amendment, may be built upon within the limits of the two (2) conditions mentioned above in this paragraph.

(h) Parts of lot not counted toward area requirements. For any lot created by subdivision subsequent to adoption of this ordinance, no part of that lot less in width than one-third (1/3rd) the minimum requirement for the district in which it is located shall be counted as part of the required minimum lot area.

(i) Minimum dwelling unit size. See city "housing standards ordinance" of the city code.

(j) County boundary lines. A structure which would be split by a county boundary line shall be permitted by a conditional use permit under the regulations of Section 35.1-15 and Article X of the zoning ordinance.

2. That this ordinance shall become effective on its passage.

Adopted:

Certified: ______________________________
Clerk of Council

154L

The Department of Community Development

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

To: Planning Commission
From: Planning Division
Date: July 27, 2011
Re: ***Zoning Ordinance* Amendment – Section 35.1-22, Buildings, uses and lots**

I. PETITIONER

City of Lynchburg, Planning Commission, 900 Church Street, Lynchburg, VA 24504
Representative: Mr. Tom Martin, AICP, City Planner, 900 Church Street, Lynchburg, VA 24504

II. LOCATION

The proposed zoning amendment would apply to all existing lots without street frontage.
Property Owners: N/A

III. PURPOSE

The purpose of the zoning amendment is to reduce the amount of street frontage required to develop "existing lots" that do not currently have frontage on an improved city street.

IV. SUMMARY

- Section 35.1-22, Buildings, uses and lots (b) currently requires frontage on an improved city street extending across the entire frontage of the lot prior to a building permit being issued.
- The *Comprehensive Plan 2002-2020* recommends ensuring that regulations and review procedures are effective in achieving Plan goals and objectives.
- The proposed amendments would reduce the amount of required street frontage to twenty-five (25) feet past the driveway entrance.
- The Zoning Ordinance amendment was initiated by the Planning Commission on March 11, 2009.

<u>The Planning Division recommends approval of the *Zoning Ordinance* amendment.</u>

V. FINDINGS OF FACT

1. **Comprehensive Plan.** Goal 1, of Citywide Land Use & Development of the *Comprehensive Plan 2002-2020* recommends "ensuring that regulations and review procedures are effective in achieving Plan goals and objectives".(**pg 5.12**) Goal 2, of Neighborhoods & Housing of the Comprehensive Plan 2002-2020 states "promote the construction of new housing and rehabilitation of existing housing to satisfy the demands of an increasingly diverse local and regional housing market".(pg **10.12**)

   An analysis of the City's Geographic Information Systems (GIS) parcel data indicates that seven hundred eighty-four (784) vacant parcels with frontage on a "paper" street exist within the city. A paper street is one where public right-of-way exists, but no actual improvement has been constructed. The parcels comprise eight hundred twenty-eight (828) acres and have no other means of access. Reducing the amount of required street frontage as proposed by the ordinance amendment may encourage the development of portions of this vacant land suggested by the *Comprehensive Plan*.

2. **Zoning.** The current Zoning Ordinance was adopted on December 12, 1978 and has been amended over time.
3. **Board of Zoning Appeals (BZA).** The Board of Zoning Appeals has granted variances to the street frontage requirement. The most recent was on March 22, 2011 at 322 Chapel Lane for Kelly's Lawn Care.
4. **Surrounding Area.** N/A
5. **Site Description.** N/A
6. **Proposed Use of Property.** N/A
7. **Traffic, Parking and Public Transit.** The design of the current Zoning Ordinance requirement for street frontage is that an improved city street will be extended across the entire frontage of lots prior to a building permit being issued. The result of this requirement is that portions of streets are required to be built that:
   1. Provide access to land not owned by the person constructing the street;
   2. May never be utilized;
   3. Vary in cost depending on the amount of the street frontage of the lot;
   4. Increase development costs;
   5. Discourage infill.
8. **Stormwater Management.** N/A.
9. **Emergency Services.** The City's Fire Marshal and Police Department had no concerns regarding the proposed *Zoning Ordinance* amendment.
10. **Impact.** The matter of how to encourage the development of existing vacant lots has been discussed in great detail amongst city staff from Planning, Zoning, Utilities, Engineering, Inspections, Fire Marshal's Office, Police Department, Public Works, and the City Attorney. Several options were discussed which included:
    1. Leaving the existing ordinance requirement;
    2. Allowing private driveways within public right-of-way;.
    3. Reducing the amount of required street frontage.

    City staff have developed consensus that the best alternative is to reduce the amount of required street frontage to twenty-five (25) feet past the driveway entrance. This reduced street frontage requirement would only apply to existing lots and would still provide adequate access for emergency and other city services. The twenty-five (25) foot distance was derived from the City of Lynchburg's Standard Detail for a "Hammer Head", Detail #25.02. This detail is used when right-of-way conditions will not allow the installation of a cul-de-sac.

    The amendment also proposes a "scriveners" change by moving "or unless the lot is an existing lot of record on 9/12/89 and has a perpetual unobstructed easement of access at least thirty (30) feet wide to such a street to serve one (1) single-family dwelling or duplex residence" from Section 35.1-22(b) to Section 35.1-22(c).
11. **Technical Review Committee.** N/A

VI. PLANNING DIVISION RECOMMENDATION

Based on the preceding Findings of Fact, the Planning Commission recommends to City Council approval of amending Section 35.1-22, Buildings, uses and lots of the City's *Zoning Ordinance* to reduce the amount of required street frontage for existing lots and proposed scriveners changes.

This matter is respectfully offered for your consideration.

William T. Martin

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 Kozerow, Lynchburg Police Department
Battalion Chief Greg Wormser, Fire Marshal
Mr. Doug Saunders, Building Commissioner
Mr. Robert Fowler, Zoning Administrator
Ms. Erin Hawkins, Environmental Reviewer

VII. ATTACHMENTS

1. **Draft Ordinance**
2. **Planning Commission Resolution – 3/11/09**
3. **Standard Detail #25.02**

MINUTES FROM THE JULY 27, 2011 PLANNING COMMISSION MEETING (MINUTES HAVE BEEN APPROVED):

a. Consideration of amending Section 35.1-22, Buildings, uses and lots (c) Reduced street frontage requirements. The Zoning Ordinance currently prohibits permits to be issued for land uses or structures unless the lot on which the land use or structure is to be established has a dedicated improved street extending across the entire frontage of the lot. The amendment proposes a "scrivener's" change by moving "or unless the lot is an existing lot of record on 9/12/89 and has a perpetual unobstructed easement of access at least thirty (30) feet wide to such a street to serve one (1) single-family dwelling or duplex residence" to new section (3). The proposed amendment would also allow a permit to be issued for a land use of structure on an existing lot of record with reduced street frontage by adding the following language: "(4) The lot is an existing lot of record on 7/11/11, in which case the lot shall provide access on at least one (1) dedicated, improved street extending a minimum of twenty-five (25) feet past the driveway accessing the lot".

Mr. Henry had the following comments for the commissioners. The purpose of the *Zoning Ordinance* amendment is to reduce the amount of street frontage required to develop existing lots that do not currently have frontage on an improved City street. Prior to a building permit being issued, the property is required to have an improved street along the entire length of the parcel. An analysis of the City's GIS parcel data indicates that there are 784 vacant parcels with frontage on paper streets. A paper street is one where public right-of-way exists but no actual improvement has been constructed. Those vacant parcels comprise 828 acres and have no other means of access. Mr. Henry had an example to show the commissioners.

The proposed amendments would reduce the amount of required street frontage to 25 feet past the driveway entrance. This reduced street frontage would only apply to existing lots and would still provide adequate access for emergency and other City services. The 25-foot distance was derived from the City of Lynchburg's Standard Detail for a hammerhead. This detail is used when right-of-way conditions will not allow the installation of a cul-de-sac. The result of the current requirement is that (1) portions of streets are required to be built that provide access to land not owned by persons constructing the street; (2) portions of the street are built that may never be utilized; (3) streets vary in cost, depending on the amount of frontage of the lot; (4) it increases development costs and (5) it discourages infill.

The *Comprehensive Plan* states that the City should promote the construction of new housing and rehabilitation of existing housing to satisfy the demands of an increasingly diverse local and regional housing market. Staff recommends approval of the zoning ordinance amendment.

Chair Hamilton asked for anyone who wished to speak in favor of the petition. No one came forward. She asked for anyone who wished to speak in opposition to the petition. No one came forward. She closed the public hearing portion of the petition.

Commissioner Swienton asked if the lot frontage requirement will still apply. Mr. Henry said that will still apply when it is dealing with creating a new lot. This amendment would only be for existing lots as of July 11, 2011. Commissioner Swienton asked for clarification that this would not change the required street frontage required to erect a building. Mr. Henry clarified that it would not change that requirement.

Commissioner Hannon asked why the amendment is limited to existing lots. Mr. Henry said the City does not want to create new lots on a paper street or lots that do not have existing access. The City would not approve new subdivisions that do not have access to a road. That would be furthering the problem.

Commissioner Swienton asked about the significance of the date September 12, 1989. Mr. Henry said he was not sure. He thought that was probably when that portion of the *Zoning Ordinance* was adopted.

Commissioner Coleman asked how often this "first lot of development" occurs. Mr. Henry said this change has been brought forward to try and assist citizens that have come in with concerns that they are unable to develop their existing lots.

Commissioner Swienton asked if there was any reason to limit this amendment to residential only. Mr. Henry thought that it could apply to commercial as well. Commissioner Hannon pointed out that the amendments do not seem to be tied to any particular zoning district. It was suggested to change the wording "single-family dwelling or duplex residence" in paragraph (3) to "building." Commissioner Hannon also requested that the dates be spelled out rather than in numbers and slashes to avoid confusion.

Commissioner Barnes made a motion to make those changes, which was seconded by Commissioner Hooper, and the motion passed by the following vote:

AYES:	Barnes, Coleman, Hamilton, Hannon, Hooper, Sale and Swienton	7
NOES:		0
ABSTENTIONS:		0
ABSENT:		0

Commissioner Coleman made the following motion, which was seconded by Commissioner Sale:

"That the Planning Commission recommends to City Council approval of amending Section 35.1-22, Buildings, uses and lots of the City's *Zoning Ordinance* to reduce the amount of required street frontage for existing lots and proposed scriveners changes."

The motion passed by the following vote:

AYES:	Barnes, Coleman, Hamilton, Hannon, Hooper, Sale and Swienton	7
NOES:		0
ABSTENTIONS:		0
ABSENT:		0

RESOLUTION OF THE LYNCHBURG PLANNING COMMISSION

WHEREAS: Lynchburg's Zoning Ordinance currently requires lots on which a land use is to be established or a structure is to be built to have frontage providing access on at least one (1) dedicated, improved street extending across the entire front of the lot where right-of-way extends on the property line with at least twenty (20) feet of pavement with fifty (50) feet of right-of-way, or unless the lot is an existing lot of record on 9/12/89 and has a perpetual unobstructed easement of access at least thirty (30) feet wide to such a street to serve one (1) single-family dwelling or duplex residence .

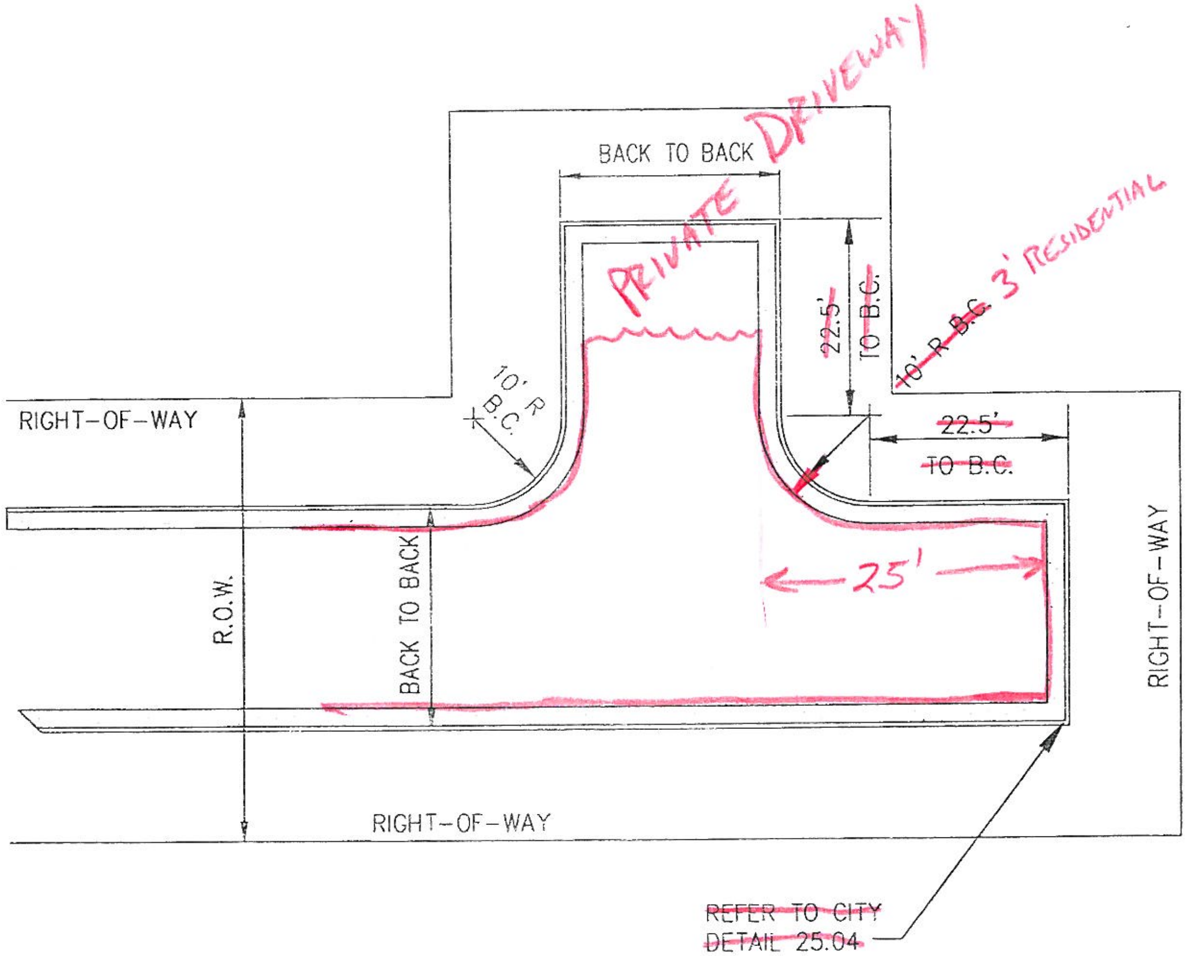
WHEREAS, the City's *Comprehensive Plan 2002 – 2020* promotes home ownership and neighborhood stabilization the Lynchburg Planning Commission has discussed adopting a resolution initiating proposed amendments to the provisions of Section 35.1-22, Buildings, uses and lots which regulates street frontage requirements.

WHEREAS, The Planning Commission has determined that its consideration of and action on the proposed zoning amendments will promote the public necessity, convenience, general welfare and good zoning practice within the City;

NOW, THEREFORE, BE IT RESOLVED by the Lynchburg Planning Commission that in order to promote the public necessity, convenience, general welfare and good zoning practice the Planning Commission does hereby initiate, will consider and directs City Staff to prepare a proposed amendment of Section 35.1-22, Buildings, uses and lots of the City's Zoning Ordinance. The proposed amendment would allow the construction of single-family homes without an improved City street extending across the entire frontage of the lot.

Adopted: 3/11/09

Certified: William T. Martin
Secretary, Planning Commission



*HAMMER HEAD

* USE SHALL BE LIMITED TO THE WIDENING OF AN EXISTING ROAD DEAD END WITH <400 ADT WIDTH 40' ROW AND 20' PAVEMENT. USE ONLY WHEN ROW CONDITIONS WILL NOT ALLOW INSTALLATION OF ADEQUATE CUL-DE-SAC A OR B LAYOUT AND **ONLY WITH THE APPROVAL OF THE CITY ENGINEER.**

THE CITY OF LYNCHBURG		
CUL-DE-SAC DIMENSIONS	SCALE: NOT TO SCALE	DETAIL # 25.02
USE WITH THE CITY OF LYNCHBURG STANDARD SPECIFICATIONS ONLY	REVISION DATE: 11-10-2007	SHEET # 2 OF 2

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **October 11, 2011** AGENDA ITEM NO.: 18

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

ACTION: **X** INFORMATION:

ITEM TITLE: **Zoning Ordinance Amendment – Section 35.1-20.1, Zoning Inspection Warrants**

RECOMMENDATION: Consideration of amending the *Zoning Ordinance* to continue to provide the Zoning Administrator the authority to seek inspection warrants for zoning.

SUMMARY: City Council conducted a public hearing concerning proposed amendments to the *Zoning Ordinance* on June 28, 2011. Following discussion, City Council directed staff to re-advertise revised language for a new public hearing. The text of the proposed *Zoning Ordinance* amendment has been made available to the public as follows:

- July 14, 2011: Posted on City web site.
- July 22, 2011: Posted on City bulletin boards and window of Community Development.
- July 25, 2011: Press release.
- July 26, 2011: Press release.
- September 19, 2011: Newspaper display ad.
- September 26, 2011: Legal notice.
- October 3, 2011: Legal notice.
- October 10, 2011: Newspaper display ad.

The text of the proposed amendment has also been made available at both public libraries and at the Information Desk located in City Hall.

The following is a summary of the revised language:

- Inspection warrants can only be issued for non-permitted use or occupancy limit violations.
- Inspection warrants can only be obtained from a court of competent jurisdiction instead of the magistrate.
- The Zoning Administrator may present sworn testimony to the court only after notifying the property owner and tenants.
- The notice to the property owner and tenants shall state the time and location where sworn testimony will be given by the Zoning Administrator and that the owner or tenants may testify before or provide a written statement to the court concerning why the inspection warrant should not be granted.
- The inspection warrant shall specify a time period during daylight business hours for the inspection.
- The Zoning Administrator shall mail notice to the owner and post notice on the front door of the premises as to the time and date of the inspection allowed by the warrant at least five (5) business days prior to the inspection.

PRIOR ACTION(S):

April 12, 2011: City staff briefed City Council on changes to State Code requiring localities to adopt a provision within their zoning ordinance if they choose to allow the Zoning Administrator to pursue an inspection warrant for zoning violations. City Council initiated an amendment to the *Zoning Ordinance* to add Section 35.1-20.1, Inspection Warrants.

May 11, 2011: Planning Division recommended approval of the *Zoning Ordinance* amendment. Planning Commission recommended approval of the *Zoning Ordinance* amendment (7-0).

June 28, 2011: City Council conducted a public hearing concerning the *Zoning Ordinance* amendment and directed staff to re-advertise revised language for a new public hearing on August 9, 2011.

August 24, 2011: The revised language was provided to Planning Commission for informational purposes. After discussion, the Planning Commission commented that the revised language would be beneficial in addressing the concerns of citizen rights and privileges. The Planning Commission also commented that City Council may wish to consider defining "any and all other reasonable efforts" in paragraph "B", as it may lead to grounds for dispute without definition.

FISCAL IMPACT: None

CONTACT(S): Robert Fowler, Zoning Administrator – 455-3900
Tom Martin, City Planner - 455-3900;
Kent White, Director of Community Development – 455-3900
Walter Erwin, City Attorney – 455-3973

ATTACHMENT(S):
- Proposed Ordinance – Section 35.1-20.1
- Planning Commission Minutes – August 24, 2011
- City Council Agenda Item Summary – June 28, 2011

REVIEWED BY: lkp

ORDINANCE:

AN ORDINANCE TO AMEND THE CODE OF THE LYNCHBURG BY ADOPTING SECTION 35.1-20.1, OF THE CODE OF THE CITY OF LYNCHBURG AS AMENDED, THE AMENDED SECTION RELATING TO INSPECTION WARRANTS.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LYNCHBURG:

1. That the General Assembly recently amended the State Code to give local governments the authority to include a provision in their zoning ordinances allowing zoning officials to apply for an administrative inspection warrant to inspect property to determine if zoning violations exist when the property owner refuses to consent to an inspection.
2. It is the intent of City Council to protect the character and the social and economic stability of all parts of the city; to encourage the orderly and beneficial development of all parts of the city; and to protect and conserve the value of land and buildings appropriate to the various districts established by the zoning ordinance.
3. That in order to promote the public necessity, convenience, general welfare and good zoning practice the Code of the City of Lynchburg is amended by adopting Section 35.1-20.1 as follows:

Sec. 35.1-20.1. Inspection warrants.

A. As provided by Section 15.2-2286(15) of the Code of Virginia and for the purpose of enforcing the provisions of this chapter in instances directly related to (1) non-permitted uses or (2) any violation of the occupancy limits in a residential dwelling unit, the zoning administrator, or his duly authorized agent, shall have the authority to apply for the issuance of inspection warrants by a court of competent jurisdiction. The zoning administrator or his agent, after notice to the owner and tenants of the premises sought to be inspected, may present sworn testimony to a court of competent jurisdiction. Such notice to the owner and tenant shall state: (a) the time and location of the court where such testimony will be presented and (b) that the owner and tenant may appear and testify before that court or, in lieu of that appearance, offer a written statement to that court setting forth any reasons for the court not granting the requested inspection warrant. If such sworn testimony, together with the testimony or written statement(s) provided by the owner and/or tenant, establishes probable cause that a zoning ordinance violation has occurred, the court shall grant the zoning administrator or his agent an inspection warrant to enable the zoning administrator or his agent to enter the subject dwelling during a specified period of time during daylight business hours and for the purpose of determining whether violations of the zoning ordinance exist.

B. If such inspection warrant is issued, the zoning administrator or his agent shall make a reasonable effort to notify the owner or tenant of the premises that an inspection will be conducted. That notice must include the date and time period of the inspection. The notices required herein shall include but are not necessarily limited to (i) mailing that notice to the last known postal address of the owner(s) and (ii) posting it at the front door of the premises no less than five (5) business days prior to the court hearing and five(5) business days before the day of the inspection, as the case may be. The zoning administrator or his agent shall make any and all other reasonable efforts to obtain consent from the owner or tenant of the subject dwelling prior to seeking the issuance of an inspection warrant under this section.

C. It shall be a violation of the zoning ordinance for any owner, managing agent, tenant, occupant or other person, to deny the zoning administrator, or his duly authorized agent, access to any dwelling after the zoning administrator, or his duly authorized agent have obtained an inspections warrant from a court of competent jurisdiction and the foregoing notice requirements have been satisfied.

Adopted:

Certified: ______________________________
Clerk of Council

155L

MINUTES FROM THE AUGUST 24, 2011 PLANNING COMMISSION MEETING (MINUTES HAVE BEEN APPROVED):

Update on the Zoning Warrants Amendments:

Mr. Martin explained that there is no action required by the commission. Staff wanted to provide the commission with an update on where we are with the Zoning Ordinance amendments dealing with zoning warrants. The Planning Commission conducted a public hearing on this item on May 11, 2011 and unanimously recommended approval of the amendment. It went to City Council as a public hearing on June 28, 2011. There was a lot of public opposition and concern about the amendments. Council came up with new language to draft into the ordinance and directed staff to schedule a new public hearing. The new public hearing will be scheduled for October 11, 2011.

Staff wanted to go over the changes of substance with the commission. Mr. Martin provided them with a memorandum outlining the changes. The changes seek to clarify what, when and how the zoning warrants can be obtained. The zoning warrants can only be obtained for a non-permitted or an occupancy limit violation. The zoning warrant will have to be issued by a judge rather than a magistrate. The zoning administrator can only present sworn testimony to the judge after he has informed the owner or the tenants that he intends to do so. He also has to notify them of the date, time and place where that sworn testimony will be given. That gives the owner and the tenants the ability to present information to the judge in writing or in person as to why the warrant should not be issued.

If the warrant is issued by the judge, the warrant will have to specify the time and date (during normal business hours) when the warrant will be served. The zoning administrator will have to give at least five days' notice of the time and date when the warrant will be served. The means of notification will be by mail to the owner of record and posting the violation on the front door of the residence.

These changes were recommended by Council. There is no action required by the Planning Commission. If the commission would like to offer comment on them, Mr. Martin will take their comments back to Council.

Mr. Fowler came up to answer questions. Commissioner Coleman asked about the rationale for changing the person who is allowed to issue the warrant from the magistrate to the judge. Mr. Fowler explained that these should not be emergency situations and this process will ensure that everyone is informed and gives everyone a process. Commissioner Coleman asked what role the magistrate will have in the process and Mr. Fowler stated that he will be out of the process.

Commissioner Hannon said that he does not see any process in here to handle an emergency situation. Mr. Fowler said that due to Council and citizens' concerns that a warrant could be obtained quickly from a magistrate, the process was changed. Commissioner Hannon said there might be a case where one needs to be obtained quickly and there is no provision for that in this language. Mr. Fowler said they could obtain an injunction, which will speed up the process. Commissioner Hannon pointed out that he still would not have access. He would get a cease and desist order.

Commissioner Hannon questioned the language about making "any and all other reasonable efforts to obtain consent." That language is troubling because he does not know what it means and it is mandatory. After the fact, someone could say that they did not make "any and all other reasonable efforts to obtain consent." That could be grounds for dispute after the fact. Defining "any and all" would be a complete judgment call. Commissioner Hannon is suggesting that City Council might want to take a second look at that language and consider its implications.

Commissioner Sale asked for clarification that obtaining a warrant from a judge rather than a magistrate would be an exception to the normal process. Mr. Fowler said that if they observe a normal zoning violation and went through the criminal process, they would go to the magistrate. This would strictly be used for cases where they cannot get entry and cooperation.

Commissioner Sale asked Mr. Fowler if he finds anything in this language that is significantly different from the original intent that the State has presented and adopted. Mr. Fowler said that he did not think so. Mr. Fowler said the way it is written may take out the need to have a police officer present. It will be more like any other inspection where they are knocking on the door and asking for information. The goal is to cease the possible violation and this will get to that. Mr. Fowler said they would only take a police officer with them if the situation warrants.

Commissioner Sale noted that he had heard from the public hearing a lot of concern for the rights and privileges of everyone in the house to be protected. These changes seem to hammering out that protection. Frankly, he does not see any particulars in here that trouble him. It makes a lot of points about the reasonable way to proceed.

Commissioner Coleman commented that he is thankful for what Mr. Fowler does. When Commissioner Coleman voted for this, he voted with the confidence that the magistrates are fully capable of being honest and fair. He hopes that by implication that this does not suggest to the public that that is not the case. At the same time, he understands those that might think that these warrants may be improperly mishandled. He has great confidence in his fellow commissioners, City Council and others that we will always do the right thing.

Chair Hamilton asked Mr. Fowler if he thinks the five day notice will give people the opportunity to comply. Mr. Fowler said the goal all along has been to get compliance. In talking with other localities, this will work. He is not sure if it will ever be used, but there is always someone willing to challenge the system. This will give them the tool they need to pursue problems we cannot take care of otherwise.

Mr. Martin summarized the commissioners' comments. There were comments that this language looks like it is going further to address the concerns about the rights and privileges of citizens. The main comment that came out of this discussion is that we need to define what "any and all reasonable efforts" means in paragraph B because it could be grounds for dispute.

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **June 28, 2011**			AGENDA ITEM NO.:
CONSENT:	REGULAR: **X**	WORK SESSION:	CLOSED SESSION: (Confidential)
ACTION: **X**		INFORMATION:	

ITEM TITLE: **Zoning Ordinance Amendment – Section 35.1-20.1, Zoning Inspection Warrants**

RECOMMENDATION: Consideration of amending the *Zoning Ordinance* to continue to provide the Zoning Administrator's the authority to seek inspection warrants for zoning.

SUMMARY: Administrative inspections are an important part of the enforcement of codes and ordinances (the building code, the fire code, the zoning ordinance, etc.). In 1976 the Virginia Attorney General issued an opinion advising that a zoning official had the authority to seek an inspection warrant to inspect property for a suspected zoning violation if the property owner refused to give consent. The Attorney General also issued similar opinions for building code officials, fire marshals, etc. In 2009 the General Assembly amended §15.2-2286 of the Code of Virginia to provide that a locality can include a provision in its zoning ordinance authorizing the Zoning Administrator to seek an inspection warrant from a magistrate or court to inspect a dwelling for a suspected violation of the *Zoning Ordinance* (such as the illegal operation of a boarding or rooming house or an excessive number of unrelated people residing in a dwelling) if the owner or tenant refuses to consent to an inspection. The General Assembly's 2009 amendment overrides the Attorney General's 1976 opinion and localities are now required to formally adopt a provision within their zoning ordinance if they choose to continue to allow the Zoning Administrator to pursue an inspection warrant for zoning violations. Since the General Assembly amended the Virginia Code in 2009 a number of localities including Albemarle County, Arlington County, the City of Hampton, York County and the Town of Herndon have amended their zoning ordinances to include inspection warrant provisions.

Even though the City's Zoning Administrator has had the authority to seek inspection warrants since 1976, it has not been necessary to do so. Generally, the fact the Zoning Administrator had such authority was enough to convince property owners to consent to inspections when the Zoning Administrator needed to inspect property as part of the investigation of a zoning complaint. The proposed amendment would not give the Zoning Administrator any additional authority; rather, it would simply allow the Zoning Administrator to continue to exercise the authority he previously possessed and be compliant with state law.

Currently when the Zoning Administrator receives a complaint regarding the number of people living in a dwelling the following actions are taken:

- The number of occupants is requested from the property owner;
- License plates of cars at the residence are checked to determine ownership;
- Water usage rates are checked to gauge the number of people living in the residence;
- Police Department calls for service are reviewed for information relating to number of people in the residence;

Although the majority of complaints are addressed through the actions listed above, occasionally property owners may live out of state and/or are difficult to contact; the property owners are uncooperative providing information concerning occupants; the high turnover rate in the occupants of boarding/rooming houses may make it difficult to determine the number of people residing in a building; and/or the occupants do not own vehicles. There are also rare situations where a violation is suspected and either the neighbors are reluctant to testify in court or citizen complaints cannot be resolved due to the lack of information necessary to pursue legal actions through the courts. While infrequent use is expected, allowing the Zoning Administrator to continue to have the ability to request an inspection warrant from the court would maintain an additional tool to address suspected zoning violations when all other resources have been exhausted.

The Planning Commission recommended approval of the *Zoning Ordinance* amendment because:

- The amendment would allow the Zoning Administrator to keep what could be a valuable "tool" to help investigate suspected zoning violations.
- Enforcement of the *Zoning Ordinance* is an integral part of implementing the *Comprehensive Plan* and the lack of authority to seek an inspection warrant could hamper the investigation of alleged zoning violations.

PRIOR ACTION(S):

April 12, 2011: City Council initiated an amendment to the *Zoning Ordinance* to add Section 35.1-20.1, Inspection Warrants.

May 11, 2011: Planning Division recommended approval of the *Zoning Ordinance* amendment. Planning Commission recommended approval of the *Zoning Ordinance* amendment (7-0).

FISCAL IMPACT: None

CONTACT(S): Robert Fowler, Zoning Administrator – 455-3900
Tom Martin, City Planner - 455-3900;
Kent White, Director of Community Development – 455-3900
Walter Erwin, City Attorney – 455-3973

ATTACHMENT(S):

- Proposed Ordinance – Section 35.1-20.1
- Proposed Procedures for Seeking Inspection Warrants
- § 15.2-2286 of the Code of Virginia
- Resolution #R-11-033
- Planning Commission Report – May 11, 2011
- Planning Commission Minutes – May 11, 2011
- Speaker Signup Sheet

REVIEWED BY:

ORDINANCE

AN ORDINANCE TO AMEND THE CODE OF THE LYNCHBURG BY ADOPTING SECTION 35.1-20.1, OF THE CODE OF THE CITY OF LYNCHBURG AS AMENDED, THE AMENDED SECTION RELATING TO INSPECTION WARRANTS.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LYNCHBURG:

1. That the General Assembly recently amended the State Code to give local governments the authority to include a provision in their zoning ordinances allowing zoning officials to apply for an administrative inspection warrant to inspect property to determine if zoning violations exist when the property owner refuses to consent to an inspection.
2. It is the intent of City Council to protect the character and the social and economic stability of all parts of the city; to encourage the orderly and beneficial development of all parts of the city; and to protect and conserve the value of land and buildings appropriate to the various districts established by the zoning ordinance.
3. That in order to promote the public necessity, convenience, general welfare and good zoning practice the Code of the City of Lynchburg is amended by adopting Section 35.1-20.1 as follows:

Section 35.1-20.1. Inspection Warrants.

As provided by Section 15.2-2286(15) of the Code of Virginia, for the purpose of enforcing the provisions of this chapter, the zoning administrator, or his duly authorized agent, shall have the authority to apply for the issuance of inspection warrants by a magistrate or court of competent jurisdiction. The zoning administrator or his agent may present sworn testimony to a magistrate or court or competent jurisdiction and if such sworn testimony establishes probable cause that a zoning ordinance violation has occurred, request that the magistrate or court grant the zoning administrator or his agent an inspection warrant to enable the zoning administrator of his agent to enter the subject dwelling for the purpose of determining whether violations of the zoning ordinance exist. The zoning administrator or his agent shall make a reasonable effort to obtain consent from the owner or tenant of the subject dwelling prior to seeking the issuance of an inspection warrant under this section. It shall be a violation of the zoning ordinance for any owner, managing agent, tenant, occupant or other person, to deny the zoning administrator, or his duly authorized agent, access to any dwelling after the zoning administrator, or his duly authorized agent have obtained an inspection warrant from a magistrate or a court of competent jurisdiction.

Adopted:

Certified: ______________________
Clerk of Council

Proposed Administrative Inspection Warrant Procedures

Purpose

When responding to and investigating complaints of alleged zoning violations sometimes it is necessary for zoning officials to inspect a building to determine if a zoning violation exists. Occasionally the owner or tenant of a building will refuse to consent to a zoning inspection. The purpose of these procedures is to ensure that any administrative zoning inspection conducted by the City's zoning officials is conducted in a proper manner as provided by the Code of Virginia and that the right of owners and tenants to be free from unreasonable inspections is protected.

Complaints

- When a complaint regarding a violation of the zoning ordinance is received the complaint will be documented, and linked to the address and inspected within 48 hours.

- Complainant information shall be documented with as much detail as possible. The complainant has the right to remain anonymous at the time of making a complaint. Specifically, the name, address and telephone number of any complainant furnished in confidence shall be protected as confidential, within the guidelines established by the Code of Virginia, Freedom of Information Act.

- The information collected from a complainant shall include that which would support the allegation of any zoning violations. Examples include the number of vehicles, traffic and delivery of merchandise and unusual activity that may indicate that an activity is taking place that would violate the City's zoning ordinance.

- Inspections shall only take place during normal business hours.

- Zoning staff shall first establish ownership through the City Assessor's Office and/or the Clerk of Court.

- Zoning staff will contact the property owner/tenant regarding the complaint and request to make an inspection of the property.

- If the owner cannot be contacted, Zoning staff will attempt to contact the tenants to request an inspection of the property to identify the number of permanent residents or activities taking place by inspecting the property and talking with the tenants.

- If Zoning staff still cannot make contact with the owner/tenant to gain access to the property, information regarding the number of vehicles, model(s) and license plate information of the vehicles parked at the property and other pertinent information will be used to try and determine if a zoning violation exists.

- If needed, Zoning staff will attempt to verify calls for service from other city agencies.

<u>Violations of the Zoning Ordinance</u>

- If Zoning violations are identified, the property owner and tenants shall be notified in writing that they have 30 days in which to comply with the applicable section of the zoning ordinance and schedule a re-inspection of the property.

- If the owner/tenant does not schedule an inspection or upon re-inspection the violation remains and a notice and will be issued advising the owner/tenant of the legal process that can be used to deal with a zoning violation.

<u>Administrative Warrants</u>

- If the property owner/tenant refuses to meet and/or give access to the property, the Zoning Administrator will request the City Attorney review the information, supporting documents and affidavit to request an Administrative Inspection Warrant from the Circuit Court Judge. This information would include probable cause, supported by an affidavit particularly describing the place, things or person to be inspected and the purpose for which the inspection for testing is made. The affidavit must contain either a statement that consent to inspect has been sought and refused, or explain the facts or circumstances reasonably justify the inability to obtain consent in order to effectively enforce the zoning ordinance.

- If an Administrative Inspection Warrant is requested for excessive occupancy only legal documentation such as State issued ID's will be requested by the Zoning Administrator to determine if tenants are related.

- If a warrant is requested from the Circuit Court Judge the scope of the warrant shall describe the areas to be searched and photographed. No inspection shall exceed the scope of Court's order and supervision will be provided by the Director of Community Development, the City Attorney or their designee to ensure the scope of the Administrative Inspection Warrant is not exceeded.

- If the Zoning Administrator has been threatened by an owner/tenant the Zoning Administrator may request a City police officer to accompany the Zoning Administrator during the administrative inspection for the sole purpose of preventing anyone from attempting to intimidate or impede the Zoning Administrator in the performance of his duties. Even if a police officer accompanies the Zoning Administrator it shall be the responsibility of the Zoning Administrator to serve the Inspection Warrant and to conduct the inspection and to interview the property owner or tenants, the police officer's presence is solely for the purpose of preserving the peace and order.

Code of Virginia

§ 15.2-2286. Permitted provisions in zoning ordinances; amendments; applicant to pay delinquent taxes; penalties.

A. A zoning ordinance may include, among other things, reasonable regulations and provisions as to any or all of the following matters:

1. For variances or special exceptions, as defined in § 15.2-2201, to the general regulations in any district.

2. For the temporary application of the ordinance to any property coming into the territorial jurisdiction of the governing body by annexation or otherwise, subsequent to the adoption of the zoning ordinance, and pending the orderly amendment of the ordinance.

3. For the granting of special exceptions under suitable regulations and safeguards; notwithstanding any other provisions of this article, the governing body of any locality may reserve unto itself the right to issue such special exceptions. Conditions imposed in connection with residential special use permits, wherein the applicant proposes affordable housing, shall be consistent with the objective of providing affordable housing. When imposing conditions on residential projects specifying materials and methods of construction or specific design features, the approving body shall consider the impact of the conditions upon the affordability of housing.

The governing body or the board of zoning appeals of the City of Norfolk may impose a condition upon any special exception relating to retail alcoholic beverage control licensees which provides that such special exception will automatically expire upon a change of ownership of the property, a change in possession, a change in the operation or management of a facility or upon the passage of a specific period of time.

The governing body of the City of Richmond may impose a condition upon any special use permit issued after July 1, 2000, relating to retail alcoholic beverage licensees which provides that such special use permit shall be subject to an automatic review by the governing body upon a change in possession, a change in the owner of the business, or a transfer of majority control of the business entity. Upon review by the governing body, it may either amend or revoke the special use permit after notice and a public hearing as required by § 15.2-2206.

4. For the administration and enforcement of the ordinance including the appointment or designation of a zoning administrator who may also hold another office in the locality. The zoning administrator shall have all necessary authority on behalf of the governing body to administer and enforce the zoning ordinance. His authority shall include (i) ordering in writing the remedying of any condition found in violation of the ordinance; (ii) insuring compliance with the ordinance, bringing legal action, including injunction, abatement, or other appropriate action or proceeding subject to appeal pursuant to § 15.2-2311; and (iii) in specific cases, making findings of fact and, with concurrence of the attorney for the governing body, conclusions of law regarding determinations of rights accruing under § 15.2-2307 or subsection C of § 15.2-2311.

Whenever the zoning administrator has reasonable cause to believe that any person has engaged in or is engaging in any violation of a zoning ordinance that limits occupancy in a residential dwelling unit, which is subject to a civil penalty that may be imposed in accordance with the provisions of § 15.2-2209, and the zoning administrator, after a good faith effort to obtain the data or information necessary to determine whether a violation has occurred, has been unable to obtain such information, he may request that the attorney for the locality petition the judge of the general district court for his jurisdiction for a subpoena duces tecum against any such person refusing to produce such data or information. The judge of the court, upon good cause shown, may cause the subpoena to be issued. Any person failing to comply with such subpoena shall be subject to punishment for contempt by the court issuing the subpoena. Any person so subpoenaed may apply to the judge who issued the subpoena to quash it.

Notwithstanding the provisions of § 15.2-2311, a zoning ordinance may prescribe an appeal period of less than 30 days, but not less than 10 days, for a notice of violation involving temporary or seasonal commercial uses, parking of commercial trucks in residential zoning districts, maximum occupancy limitations of a residential dwelling unit, or similar short-term, recurring violations.

Where provided by ordinance, the zoning administrator may be authorized to grant a modification from any provision contained in the zoning ordinance with respect to physical requirements on a lot or parcel of land, including but not limited to size, height, location or features of or related to any building, structure, or improvements, if the administrator finds in writing that: (i) the strict application of the ordinance would produce undue hardship; (ii) such hardship is not shared generally by other properties in the same zoning district and the same vicinity; and (iii) the authorization of the modification will not be of substantial detriment to adjacent property and the character of the zoning district will not be changed by the granting of the modification. Prior to the granting of a modification, the zoning administrator shall give, or require the applicant to give, all adjoining property owners written notice of the request for modification, and an opportunity to respond to the request within 21 days of the date of the notice. The zoning administrator shall make a decision on the application for modification and issue a written decision with a copy provided to the applicant and any adjoining landowner who responded in writing to the notice sent pursuant to this paragraph. The decision of the zoning administrator shall constitute a decision within the purview of § 15.2-2311, and may be appealed to the board of zoning appeals as provided by that section. Decisions of the board of zoning appeals may be appealed to the circuit court as provided by § 15.2-2314.

The zoning administrator shall respond within 90 days of a request for a decision or determination on zoning matters within the scope of his authority unless the requester has agreed to a longer period.

5. For the imposition of penalties upon conviction of any violation of the zoning ordinance. Any such violation shall be a misdemeanor punishable by a fine of not less than $10 nor more than $1,000. If the violation is uncorrected at the time of the conviction, the court shall order the violator to abate or remedy the violation in compliance with the zoning ordinance, within a time period established by the court. Failure to remove or abate a zoning violation within the specified time period shall constitute a separate misdemeanor offense punishable by a fine of not less than

$10 nor more than $1,000, and any such failure during any succeeding 10-day period shall constitute a separate misdemeanor offense for each 10-day period punishable by a fine of not less than $100 nor more than $1,500.

However, any conviction resulting from a violation of provisions regulating the number of unrelated persons in single-family residential dwellings shall be punishable by a fine of up to $2,000. Failure to abate the violation within the specified time period shall be punishable by a fine of up to $5,000, and any such failure during any succeeding 10-day period shall constitute a separate misdemeanor offense for each 10-day period punishable by a fine of up to $7,500. However, no such fine shall accrue against an owner or managing agent of a single-family residential dwelling unit during the pendency of any legal action commenced by such owner or managing agent of such dwelling unit against a tenant to eliminate an overcrowding condition in accordance with Chapter 13 or Chapter 13.2 of Title 55, as applicable. A conviction resulting from a violation of provisions regulating the number of unrelated persons in single-family residential dwellings shall not be punishable by a jail term.

6. For the collection of fees to cover the cost of making inspections, issuing permits, advertising of notices and other expenses incident to the administration of a zoning ordinance or to the filing or processing of any appeal or amendment thereto.

7. For the amendment of the regulations or district maps from time to time, or for their repeal. Whenever the public necessity, convenience, general welfare, or good zoning practice requires, the governing body may by ordinance amend, supplement, or change the regulations, district boundaries, or classifications of property. Any such amendment may be initiated (i) by resolution of the governing body; (ii) by motion of the local planning commission; or (iii) by petition of the owner, contract purchaser with the owner's written consent, or the owner's agent therefor, of the property which is the subject of the proposed zoning map amendment, addressed to the governing body or the local planning commission, who shall forward such petition to the governing body; however, the ordinance may provide for the consideration of proposed amendments only at specified intervals of time, and may further provide that substantially the same petition will not be reconsidered within a specific period, not exceeding one year. Any such resolution or motion by such governing body or commission proposing the rezoning shall state the above public purposes therefor.

In any county having adopted such zoning ordinance, all motions, resolutions or petitions for amendment to the zoning ordinance, and/or map shall be acted upon and a decision made within such reasonable time as may be necessary which shall not exceed 12 months unless the applicant requests or consents to action beyond such period or unless the applicant withdraws his motion, resolution or petition for amendment to the zoning ordinance or map, or both. In the event of and upon such withdrawal, processing of the motion, resolution or petition shall cease without further action as otherwise would be required by this subdivision.

8. For the submission and approval of a plan of development prior to the issuance of building permits to assure compliance with regulations contained in such zoning ordinance.

9. For areas and districts designated for mixed use developments or planned unit developments as defined in § 15.2-2201.

10. For the administration of incentive zoning as defined in § 15.2-2201.

11. For provisions allowing the locality to enter into a voluntary agreement with a landowner that would result in the downzoning of the landowner's undeveloped or underdeveloped property in exchange for a tax credit equal to the amount of excess real estate taxes that the landowner has paid due to the higher zoning classification. The locality may establish reasonable guidelines for determining the amount of excess real estate tax collected and the method and duration for applying the tax credit. For purposes of this section, "downzoning" means a zoning action by a locality that results in a reduction in a formerly permitted land use intensity or density.

12. Provisions for requiring and considering Phase I environmental site assessments based on the anticipated use of the property proposed for the subdivision or development that meet generally accepted national standards for such assessments, such as those developed by the American Society for Testing and Materials, and Phase II environmental site assessments, that also meet accepted national standards, such as, but not limited to, those developed by the American Society for Testing and Materials, if the locality deems such to be reasonably necessary, based on findings in the Phase I assessment, and in accordance with regulations of the United States Environmental Protection Agency and the American Society for Testing and Materials. A reasonable fee may be charged for the review of such environmental assessments. Such fees shall not exceed an amount commensurate with the services rendered, taking into consideration the time, skill, and administrative expense involved in such review.

13. Provisions for requiring disclosure and remediation of contamination and other adverse environmental conditions of the property prior to approval of subdivision and development plans.

14. For the enforcement of provisions of the zoning ordinance that regulate the number of persons permitted to occupy a single-family residential dwelling unit, provided such enforcement is in compliance with applicable local, state and federal fair housing laws.

15. For the issuance of inspection warrants by a magistrate or court of competent jurisdiction. The zoning administrator or his agent may present sworn testimony to a magistrate or court of competent jurisdiction and if such sworn testimony establishes probable cause that a zoning ordinance violation has occurred, request that the magistrate or court grant the zoning administrator or his agent an inspection warrant to enable the zoning administrator or his agent to enter the subject dwelling for the purpose of determining whether violations of the zoning ordinance exist. The zoning administrator or his agent shall make a reasonable effort to obtain consent from the owner or tenant of the subject dwelling prior to seeking the issuance of an inspection warrant under this section.

B. Prior to the initiation of an application for a special exception, special use permit, variance, rezoning or other land disturbing permit, including building permits and erosion and sediment control permits, or prior to the issuance of final approval, the authorizing body may require the applicant to produce satisfactory evidence that any delinquent real estate taxes owed to the locality which have been properly assessed against the subject property have been paid.

(Code 1950, § 15-968.5; 1962, c. 407, § 15.1-491; 1964, c. 564; 1966, c. 455; 1968, cc. 543, 595; 1973, c. 286; 1974, c. 547; 1975, cc. 99, 575, 579, 582, 641; 1976, cc. 71, 409, 470, 683; 1977, c. 177; 1978, c. 543; 1979, c. 182; 1982, c. 44; 1983, c. 392; 1984, c. 238; 1987, c. 8; 1988, cc. 481, 856; 1989, cc. 359, 384; 1990, cc. 672, 868; 1992, c. 380; 1993, c. 672; 1994, c. 802; 1995, cc. 351, 475, 584, 603; 1996, c. 451; 1997, cc. 529, 543, 587; 1998, c. 385; 1999, c. 792; 2000, cc. 764, 817; 2001, c. 240; 2002, cc. 547, 703; 2005, cc. 625, 677; 2006, cc. 304, 514, 533, 903; 2007, cc. 821, 937; 2008, cc. 297, 317, 343, 581, 593, 720, 777; 2009, c. 721.)

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **April 12, 2011**			AGENDA ITEM NO.: 13
CONSENT:	REGULAR: X	WORK SESSION:	CLOSED SESSION: (Confidential)
ACTION: X		INFORMATION:	

ITEM TITLE: **Consideration of Initiating Amendments to the *Zoning Ordinance* – Zoning Inspection Warrants**

RECOMMENDATION: Initiate amendment to the *Zoning Ordinance* to create Section 35.1-20.1, Inspection Warrants. Initiating the amendment will not alter the *Zoning Ordinance*, but will allow staff to advertise for public hearings before the Planning Commission and City Council.

SUMMARY: § 15.2-2286 of the Code of Virginia provides that the Zoning Administrator may request an inspection warrant from the court magistrate to enable entrance into a dwelling for the purpose of determining whether violations (such as the number of unrelated people residing in a dwelling) of the *Zoning Ordinance* exist. Currently when the Zoning Administrator receives a complaint regarding the number of people living in a dwelling the following actions are taken:

- Number of occupants is requested from the property owner
- License plates of cars at the residence are checked to determine ownership
- Water usage rates are checked to gauge the number of people living in the residence
- Police Department calls for service are reviewed for information relating to number of people in the residence

Often occupants do not own vehicles and out of state property owners are difficult to contact or are not cooperative in providing information concerning occupant information. There is a high turnover rate in the occupants of boarding/rooming houses which also makes it difficult to determine the number of people residing in a building. Neighbors of a property with a perceived zoning violation are often reluctant to testify in court. The majority of complaints are addressed through the actions listed above and violations are corrected. There are other situations where a violation is believed to exist and citizen complaints can not be resolved due to the lack of information needed to pursue legal actions through the courts.

While infrequent use is expected, allowing the Zoning Administrator the ability to request an inspection warrant from the court magistrate would provide an additional tool to address suspected zoning violations when all other resources have been exhausted.

PRIOR ACTION(S): None

FISCAL IMPACT: None

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

ATTACHMENT:
- Resolution

REVIEWED BY: lkp

RESOLUTION: #R-11-033

WHEREAS: the General Assembly recently amended the State Code to give local governments the authority to include a provision in their zoning ordinances allowing zoning officials to apply for an administrative inspection warrant to inspect property to determine if zoning violations exist when the property owner refuses to consent to an inspection.

WHEREAS, Lynchburg's Zoning Ordinance does not currently allow the Zoning Administrator to request an inspection warrant from the magistrate or court of competent jurisdiction to enable entrance into a dwelling for the purpose of determining whether violations of the Zoning Ordinance exist.

WHEREAS, it is the intent of City Council to protect the character and the social and economic stability of all parts of the city; to encourage the orderly and beneficial development of all parts of the city; and to protect and conserve the value of land and buildings appropriate to the various districts established by the zoning ordinance.

WHEREAS, the City Council has determined that its consideration of and action on the proposed zoning amendments will promote the public necessity, convenience, general welfare and good zoning practice within the City;

NOW, THEREFORE, BE IT RESOLVED by the City Council that in order to take advantage of the authority granted to the City by the General Assembly and in order to promote the public necessity, convenience, general welfare and good zoning practice the City Council does hereby initiate, will consider and directs City Staff to prepare a proposed amendment of the City's Zoning Ordinance which would allow the Zoning Administrator to request an inspection warrant from the magistrate or court of competent jurisdiction to enable entrance into a dwelling for the purpose of determining whether violations of the Zoning Ordinance exist.

Adopted: April 12, 2011

Certified: Valerie P. Chambers
Clerk of Council

054L

c: R. Fowler
~~K. White~~

The Department of Community Development

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

To: Planning Commission
From: Planning Division
Date: May 11, 2011
Re: **Zoning Ordinance Amendment – Section 35.1-20.1, Inspection Warrants**

I. PETITIONER

City of Lynchburg, 900 Church Street, Lynchburg, Virginia 24504
Representative(s): Mr. Tom Martin, AICP, City Planner, Mr. Robert Fowler, Zoning Administrator, 900 Church Street, Lynchburg, Virginia 24504

II. LOCATION

N/A
Property Owner: N/A

III. PURPOSE

The purpose of this petition is to amend the *Zoning Ordinance* by adding Section 35.1-20.1, Inspection Warrants. The section would allow the Zoning Administrator to request an inspection warrant from the court magistrate to enable entrance into a dwelling for the purposes of determining whether violations of the *Zoning Ordinance* exist.

IV. SUMMARY

- The amendment would allow the Zoning Administrator the ability to obtain an inspection warrant for dwellings.
- The amendment would provide an additional "tool" to address suspected zoning violations.
- Infrequent use of inspection warrants is expected.

The Planning Division recommends approval of the conditional use permit petition.

V. FINDINGS OF FACT

1. **Comprehensive Plan.** The *Comprehensive Plan 2002-2020* states "a comprehensive plan does little for a community if it is not implemented. The most important implementation tools are the City's land use management ordinances: the *Zoning Ordinance, Subdivision Ordinance, Erosion & Sediment Control Ordinance,* and others". **(pg 5.9)** Enforcement of the *Zoning Ordinance* is an integral part of implementing the *Comprehensive Plan.* While infrequent use is expected, the proposed amendment would allow the Zoning Administrator another tool in determining if zoning violations exist.

2. **Zoning.** The current *Zoning Ordinance* was adopted in 1978. The ordinance has been amended over time to address specific issues, maintain consistency with state code and provide for development proposals that would have otherwise been prohibited. In depth revisions have been adopted to Sign Regulations (2004), Landscaping (2006), Flood Hazard Districts (2008), Large Scale Retail Establishments (2009) and Off-street Parking (2009). The city is currently drafting language for the creation of Institutional Districts.

3. **Board of Zoning Appeals (BZA).** N/A

4. **Surrounding Area.** N/A

5. **Site Description.** N/A
6. **Proposed Use of Property.** N/A
7. **Traffic, Parking and Public Transit.** N/A
8. **Stormwater Management.** N/A
9. **Emergency Services.** N/A
10. **Impact.** Section 35.1-17, Amendments of the Zoning Ordinance states an amendment to the text or official zoning map of the ordinance may be initiated by the City Council or Planning Commission provided any resolution or motion proposing the rezoning shall state the public necessity, convenience, general welfare or good zoning practice constituting the public purpose of such rezoning. On April 12, 2011, the City Council passed Resolution #R-11-033 initiating an amendment to the Zoning Ordinance that would allow the Zoning Administrator the ability to request an inspection warrant from the court magistrate to allow entrance into a dwelling for the purpose of deterring whether violations exist. The resolution states that the text amendment was initiated in order to take advantage of the authority granted to the City by the General Assembly and to protect the character and the social and economic stability of all parts of the city.

    Chapter 15.2-2286 of the Code of Virginia provides that the Zoning Administrator may request an inspection warrant from the court magistrate to enable entrance into a dwelling for the purpose of determining whether violations (such as the number of unrelated people residing in a dwelling) of the Zoning Ordinance exist. Currently, when the Zoning Administrator receives a complaint regarding the number of people living in a dwelling the following actions are taken:

    - Number of occupants is requested from the property owner
    - License plates of cars at the residence are checked to determine ownership
    - Water usage rates are checked to gauge the number of people living in the residence
    - Police Department calls for service are reviewed for information relating to number of people in the residence

    Often occupants do not own vehicles and out-of-state property owners are difficult to contact or are not cooperative in providing information concerning occupant information. There is a high turnover rate in the occupants of boarding/rooming houses which also makes it difficult to determine the number of people residing in a building. Neighbors of a property with a perceived zoning violation are often reluctant to testify in court. The majority of complaints are addressed through the actions listed above and violations are corrected. There are other situations where a violation is believed to exist and citizen complaints can not be resolved due to the lack of information needed to pursue legal actions through the courts.

    While infrequent use is expected, allowing the Zoning Administrator the ability to request an inspection warrant from the court magistrate would provide an additional tool to address suspected zoning violations when all other resources have been exhausted.

11. **Technical Review Committee.** N/A

VI. PLANNING DIVISION RECOMMENDATION

Based on the preceding Findings of Fact, the Planning Commission recommends to City Council approval of amending the Zoning Ordinance by adding Section 35.1-20.1, Inspection Warrants to allow the Zoning Administrator to request an inspection warrant from the court magistrate to enable entrance into a dwelling for the purpose of determining whether violations of the Zoning Ordinance exist.

This matter is respectfully offered for your consideration.

William T. Martin

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 Kozerow, Lynchburg Police Department
Battalion Chief Greg Wormser, Fire Marshal
Mr. Douglas Saunders, Acting Building Commissioner
Mr. Robert Fowler, Zoning Administrator
Mr. Jacob Dorman, Environmental Reviewer

VII. ATTACHMENTS

1. **April 12, 2011 Council Agenda Item Summary**
2. **Resolution #R-11-033**
3. **Code of Virginia, Section 15.2-2286**
4. **Proposed Section 35.1-20.1, Inspection Warrants**

MINUTES FROM THE MAY 11, 2011 PLANNING COMMISSION MEETING (MINUTES HAVE BEEN APPROVED):

c. **Consideration of amending the Zoning Ordinance by adding Section 35.1-20.1, Inspection Warrants. The proposed amendments would provide the Zoning Administrator or his duly authorized agent the authority to apply for the issuance of an inspection warrant by a magistrate or court of competent jurisdiction to allow the Zoning Administrator to enter a dwelling for the purposes of determining if a zoning violation exists. The proposed amendment would provide that the Zoning Administrator or his agent shall make a reasonable effort to obtain consent from the owner of tenant of the dwelling prior to seeking issuance of an inspection warrant.**

Mr. Martin explained that this item relates to a state code that allows zoning administrators the ability to gain inspection warrants. Currently, when the zoning administrator receives a complaint regarding the number of occupants in a dwelling, he takes several actions. He requests the number of occupants from the owner, looks at license plates of vehicles at the residence, looks at water usage rates and checks with the police department regarding calls for service. However, there are inherent problems with these methods. Often the residents do not have vehicles. Property owners are often non-responsive or unwilling to cooperate. Typically what happens when the zoning administrator has exhausted all of his means to determine the number of residents, it is very difficult to take someone to court to ensure enforcement of the *Zoning Ordinance.* This would provide another tool to the zoning administrator. Staff does not see it being used very frequently. It will be a matter of last resort. It is important to remember that enforcement of the *Zoning Ordinance* is an integral part of implementing the *Comprehensive Plan.* The Planning Division recommends approval of this zoning amendment.

Mr. Rob Fowler came forward. He explained that this was brought to staff's attention by the City Attorney in 2009 when the state made the change. Staff did not act on it at that time because there had really been no need to have this tool available. Staff is normally able to address citizen complaints about these types of issues by going through the measures that are described in the report. In the past year, he has run into a couple of instances where he believes that the neighbors are right about the activity but he is unable to do anything about it. Some people question whether this is really a matter of life safety. He has information to believe that someone is living in a closet and someone is living in a hallway. There are possibly padlocks on the doors. However, Mr. Fowler does not have enough evidence to go to the magistrate to obtain a warrant to gain access. The owner has advised staff to stay off the property and not to talk to the tenants. Mr. Fowler explained that when he is unable to close the matter, the neighbors still have to deal with the issue. He probably receives approximately twenty complaints a year of this type of activity. They are not always college students. Those are the easy ones to fix because he can work with the colleges and the property owners on those. He envisions using this tool for illegal rooming houses.

Mr. Fowler explained that they have no intention of knocking down doors and looking through closets. Once he receives a certain amount of complaints and has exhausted all resources, he would work with the department director and the City Attorney's office. Mr. Fowler mentioned that the Inspections Division has this authority, as well as the police department and Fire Marshal's office.

Chair Hamilton asked for anyone else to speak in favor of the petition. No one came forward. She asked for anyone to speak in opposition to the petition or with questions. Mr. C. J. Hicks came forward. He asked about the scope of the warrants and whether or not they are limited to occupancy violations. He asked if their scope possibly expands once the zoning administrator enters the building and sees something else. Mr. Hicks would hate to see these warrants abused.

Chair Hamilton asked if there was anyone else present to speak in opposition or with questions. No one came forward. Chair Hamilton asked Mr. Walter Erwin, the City Attorney, to come forward. He explained that in the past couple of years, the General Assembly recognized that in enforcing the building code, the fire code, the amusement devices regulations and a number of other areas, sometimes the property owners will not cooperate. This is particularly true if the property owner suspects that he has a violation. The General Assembly expanded the authority of code officials to get administrative inspection warrants. The General Assembly felt it was appropriate to give zoning officials the same authority. This is the same procedure that the police department has to follow in order to get a search warrant. The zoning administrator would have to appear before the magistrate and specify the facts that he believes justify the issuance of an inspection warrant. If the judge or magistrate believes that there is probable cause to justify a search, he will issue the warrant.

Mr. Erwin explained that the warrant is not without limit. It identifies the particular violation you are searching for, for example, occupancy violations. Another example could be someone running an illegal business activity out of their home. In that case, the warrant would authorize inspection for that violation. It does not open it up for the person to go through unlimited inspection of the property. Mr. Erwin explained that there is something called the "plain view doctrine." If you are searching and you see something else in plain view, then you are entitled to act on that. A building code official might have a warrant for an electrical issue and while he is there, he sees another code violation that is in plain view. He can act on that but he is not authorized to inspect items that are not in plain view.

Commissioner Swienton asked if the zoning administrator would be allowed to open drawers or would his purview be restricted to what is in plain view. Mr. Erwin explained that he would not be allowed to open drawers but he would be allowed to search areas where it was possible for a person to be living. He could check the bedrooms and open closets to see if there was evidence that someone was living in those areas. He would be allowed to search those areas of the building where it would be reasonable to believe that someone could be living.

Commissioner Sale asked what would happen if there were other non-related plain view crimes apparent, for example, a meth lab. Mr. Erwin explained that does come up from time to time during building code enforcement. In this case, the building code official is not authorized to act on illegal activities. He makes his observations and reports them to the police department. Then the police department can act on that information and get a search warrant. In this case, if the zoning administrator sees illegal activities or building code violations, he would report them to the appropriate official and they would follow through with their investigations.

Commissioner Sale asked to what degree a zoning official can go in order to gain access to a dwelling. Mr. Erwin explained that the inspection warrant allows you to use whatever reasonable force may be necessary to carry out the search. If the police department is searching for drugs, the warrant may authorize them to kick the door in and go in without warning. What the City usually does in the case of building code warrants (and it would likely be the same process that would be used for zoning officials) is to notify the owner that he has a warrant and when he would like to carry out the inspection. If the risk to the public justifies breaking a door down, he would be authorized to do so. Mr. Erwin gave the example of a possible gas leak being that type of situation. However, in the case of a zoning code violation, he did not think that you would ever have emergency conditions. If the zoning official gets there and the owner does not let him in, he could call a locksmith. Mr. Erwin commented that staff has never used violence to enter a property for a building code search and he would envision handling zoning code violations the same way. Mr. Erwin said that recently the building code official took a property owner to court because the property owner would not show up to allow him to inspect the property. The judge ordered the property owner to be present and to allow the building code official to execute the search warrant. The property owner would have been held in contempt of court if he did not comply at that point.

Chair Hamilton asked Mr. Hicks if his concerns had been addressed. He said they have been addressed and he did not have any more questions.

Commissioner Swienton said that he could see where a building code violation could impact the safety of occupants. In the case of too many occupants living in a house and all of them have adequate living conditions, he is curious how that affects their safety. Mr. Erwin agreed that a lot of zoning code violations would not involve a life safety issue. For example, he mentioned a complaint about someone operating an illegal business. The neighbors were upset because there was additional traffic. The neighbors felt the business was detracting from the quality of life in the neighborhood. They wanted the City to act on their complaints.

Mr. Erwin stated that there are provisions in the building code that recognize that having too many people in a structure can pose risks. It can be unsanitary or the kitchen facilities may not be adequate. If someone is living in a closet and there is no heat, they might put in space heaters and that increases the risk of fire. There is the potential that if too many people are living in a house and there is a fire, that everyone may not be able to get out of the structure. A lot of the structures where the City receives the complaints about overcrowding are older structures and not built to modern construction standards.

Commissioner Swienton asked if there are limits to the number of family members living in a dwelling if they are all related. Mr. Erwin stated that the City's *Zoning Ordinance* does not limit the number of related family members (by blood or marriage) that can live in a dwelling. In that dwelling, there can also be one non-related person living there. The other definition of a family is up to three non-related people. However, the Fire Marshal, building code official or health department might conclude that there are too many people in the structure for safety or health reasons. One of those officials could order some of the people to move out of the dwelling.

Commissioner Hannon thought it was curious that the number of occupants living in a dwelling is not tied to the size of the dwelling. There could be a six-bedroom house and only three non-related people can live in it. He asked Mr. Erwin what is the rational basis for not linking the number of people to the size of the property. Mr. Erwin explained that when the current *Zoning Ordinance* was adopted in 1978, a limit of no more than five non-related persons living in a dwelling was defined in that version. It was not based on the size of the structure either. In 1989, the City was starting to receive a lot of complaints about too many college students living in homes near campuses. There were a number of illegal rooming houses as well. The City decided to lower the allowed number to three non-related persons living in a dwelling. It is somewhat of an arbitrary number but that is the number recommended by staff and accepted by City Council. Mr. Erwin remarked that the ordinance could be revised to tie it into the size of the structure or number of bedrooms but that has never been brought forward for a possible *Zoning Ordinance* amendment.

Commissioner Hannon asked how one investigates the relationship of family members and whether or not they are actually related by blood or marriage. Mr. Erwin remarked that Lynchburg has been fortunate and has not had the problems with immigrants that other cities in Virginia have. That is a real problem because they may not have the same documents that U.S. citizens have to verify their identity or they may have forged documents. Lynchburg has not had this problem but it certainly could have in the future. In that case, Mr. Erwin would probably seek help from other localities that have had to deal with this issue.

Commissioner Hannon asked if Virginia recognizes common law marriage. Mr. Erwin said Virginia recognizes common law marriages from other states but does not recognize a common law marriage formed in Virginia. Mr. Erwin said Virginia still has a law on the books that prevents unmarried individuals from living together, although it has not been enforced for a number of years.

Commissioner Coleman pointed out that the General Assembly has given other officials the opportunity to do this and now it is coming to zoning officials. Commissioner Coleman stated the City Attorney has helped Commissioner Coleman to understand the suggested process and to alleviate his concerns. Commissioner Coleman made the following motion, which was seconded by Commissioner Sale:

> **"That the Planning Commission recommends to City Council approval of amending the Zoning Ordinance by adding Section 35.1-20.1, Inspection Warrants to allow the Zoning Administrator to request an inspection warrant from the court magistrate to enable entrance into a dwelling for the purpose of determining whether violations of the Zoning Ordinance exist."**

Commissioner Sale commented that he believes the City has handled these types of violations well in the past and believes this will not be used frequently. He sees this as a valuable tool and does not think the City will misuse this warrant option. There will be the checks and balance portion as well of a third party, such as the judge or magistrate, looking at the probable cause and evidence for the warrant. He thinks this will be another tool for creating a conversation between the City and a property owner. Mr. Erwin pointed out that there is a provision in the language that the zoning administrator will consult with the City Attorney before obtaining a warrant.

Commissioner Hannon asked Mr. Fowler to come back to address how he has handled these types of complaints in the past when he has come to an impasse with the property owner. Mr. Fowler said he has been fortunate enough to have closure in just about every complaint. In the past year, there have two instances where he has hit a brick wall. The neighbors are calling and are furious because they know something is going. Staff has been to the properties enough to know something is going on. Mr. Fowler has been doing this for 24 years and has learned when someone has something to hide by their actions. One property owner is so adamant that he has told staff to not even drive by his property. Mr. Fowler mentioned that he has nothing personal to gain in this request. This is an attempt to answer citizen complaints. Mr. Fowler said he does not have enough evidence in these instances to pursue a warrant. The neighbors are a little reluctant to come forward and he is not even sure that they have enough evidence to go the magistrate. Based on a conversation Mr. Fowler had with one of the tenants, staff believes there is something going on inside. Mr. Fowler received information that someone is living in a closet, someone is living in a hallway and there are padlocks on the doors.

Mr. Erwin explained that when Mr. Fowler had approached him about getting a warrant for this property, Mr. Erwin had pointed out that the change needed to be made in the *Zoning Ordinance* first before he could pursue a warrant. Right now, there is no basis for a zoning official to get an inspection warrant. Commissioner Hannon clarified with Mr. Fowler that normally he is able to use public information to put together a case that there is a zoning violation and then proceed. Sometimes, however, circumstances arise where it is not possible for him to use only non-intrusive methods to put together a factual case to proceed to court. Mr. Fowler said that is correct. He goes through a process of garnering information from neighbors, the property owner, water usage and any contact the police may have made. He has been fortunate in the past to obtain compliance with the ordinance. However, in these recent cases, he has hit a place where he believes there are violations but he cannot put a case together.

Commissioner Swienton asked Mr. Fowler if he believes the people in these situations are voluntarily living in these conditions or is it a type of false imprisonment. Mr. Fowler said that would be a judgment call. He has talked to tenants and is surprised at what they are paying to live in these conditions but without a steady job and good credit, they will pay what they have to in order to keep a roof over their head.

Mr. Fowler commented that he did not want to lead the commission to believe that this would only be used for occupancy complaints. There are other situations where he might use it but he can promise them that staff has no intention of making anyone a criminal and has no intention of going this far until they have exhausted all avenues and believe that the neighbors have a valid issue.

Chair Hamilton asked them to keep their discussion to the motion that is on the floor. Commissioner Coleman would like to keep the motion on the floor and added that his confidence comes from his knowledge that the magistrate will do a fine job. He has seen them in very difficult situations and is very confident that this will not be abused and will be very helpful to the City.

Commissioner Swienton is in the favor of the concept of some type of checks and balance system. Obviously, he wants to keep people living in sound living conditions. He wants to make certain that this is worthwhile and used properly. Commissioner Swienton wanted to discuss the process of carrying out a warrant. Mr. Fowler indicated that he would probably take a police officer with him but acknowledged that the actual process is not in place yet. Commissioner Swienton asked how he could tell if the people are related or unrelated. How could he tell if there is a zoning code violation separate from perhaps a public health violation? Mr. Fowler indicated that they generally do not get complaints about families. They get complaints about number of people and activity. Every situation is different but he has not received a complaint where they have gone and found a family occupying a dwelling. Usually these are high traffic situations where people are very transient. When you go into a house, you can kind of pick up on the activity. Mr. Fowler acknowledged there is the possibility he could go into a house and find that everyone is related and there is no violation.

Mr. Fowler commented that he has no intention of running out tomorrow and using this. This is something where staff has to clearly define a procedure and make sure they follow it and only use it when they have exhausted all other typical measures and really believe there is something going on. The key is that you can glean from the neighbors' concerns and frustrations and the actions by the property owner that it is a safe bet that something illegal is going on.

Commissioner Hannon commented that he thinks they can safely concur with what the General Assembly and its Senate have agreed is necessary for jurisdictions.

The motion passed by the following vote:

AYES:	Barnes, Coleman, Hamilton, Hannon, Hooper, Sale and Swienton	7
NOES:		0
ABSTENTIONS:		0
ABSENT:		0

Section 35.1-20.1, Inspection Warrants

Zoning Ordinance Amendment

May 11, 2011

PLEASE PRINT

NAME	ADDRESS	PHONE	IN FAVOR	IN OPPOSITION	NEUTRAL
Rob Fowler	900 Church				
CJ Hicks	4201 Keystone				
Walter Erwin	City Attorney				

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **October 11, 2011** AGENDA ITEM NO.: 19

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

ACTION: **X** INFORMATION:

ITEM TITLE: **PUBLIC HEARING AND CONSIDERATION OF APPROVING THE *2010 (FY 2010-2011) CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER)* FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT CDBG) AND HOME PROGRAM**

RECOMMENDATION: Hold a public hearing to receive comments regarding the *Program Year 2010 (2010-2011) Consolidated Annual Performance and Evaluation Report (CAPER)* for the Community Development Bock Grant (CDBG) and HOME Program and adopt a resolution approving the CAPER for submission to the U.S. Department of Housing and Urban Development (HUD).

SUMMARY: The U.S. Department of Housing and Urban Development (HUD) requires each jurisdiction receiving HUD-administered grants (CDBG and HOME) to draft a *CAPER* and submit it for public review and comment. The *CAPER* describes the City's progress towards the housing and community development goals established within the 2010-2015 Consolidated Plan and the 2010 Annual Action Plan. This *CAPER* is for the period of July 1, 2010, through June 30, 2011. With City Council's approval, the *CAPER,* including a summary of any public comments, will be submitted to the HUD Richmond Field Office on Friday, October 14, 2011.

PRIOR ACTION(S): N/A

FISCAL IMPACT: N/A

CONTACTS:

Bonnie Svrcek, Deputy City Manager/455-3990
Melva Walker, Grants Manager/455-3916

ATTACHMENT(S):

Draft Program Year 2010 (FY 2010-2011) Consolidated Annual Performance and Evaluation Report (CAPER)

REVIEWED BY: lkp

RESOLUTION

BE IT RESOLVED that City Council approves the submission of *the 2010 (FY 2010-2011 Consolidated Annual Performance and Evaluation Report (CAPER)* to the U.S. Department of Housing and Urban Development (HUD).

Adopted:

Certified: ______________________________
Clerk of Council

156L

First Program Year (2010) CAPER

The Consolidated Plan Management Process (CPMP) Tool Consolidated Annual Performance and Evaluation Report (CAPER) includes Narrative Responses to CAPER questions that Community Development Block Grant (CDBG), HOME, Housing Opportunities for Persons with Aids (HOPWA), and Emergency Shelter Grant (ESG) grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. The Executive Summary narratives are optional.

As a grantee, the City must also submit an updated Financial Summary Report (PR26) in the Department of Housing and Urban Development (HUD) Integrated Disbursement Information System (IDIS).

GENERAL

Executive Summary

Program Year 1 CAPER Executive Summary response:

The City of Lynchburg reports annually to the U.S. Department of Housing and Urban Development (HUD) on program and project accomplishments funded through the Community Development Block Grant (CDBG) and Home Investment Partnerships (HOME) entitlement grant programs through the Consolidated Annual Performance and Evaluation Report (CAPER). The questions reflected in the CAPER are drawn from the requirements of the 1995 Consolidated Plan regulations, which were subsequently interpreted in memorandum format and submitted to all Field Directors and Entitlement Grantees in 1998. The City has provided narrative responses, tables, charts, and other supporting data to assure compliance with HUD Consolidated Planning regulations and requirements.

Lynchburg's Program Year 2010 (PY10)/Fiscal Year 2011 (FY11) CAPER is the first report for the Five-Year 2010-2015 Consolidated Plan. The report describes the City's progress towards the housing and community development goals for the period of July 1, 2010 through June 30, 2011. During this period, the City received CDBG funds in the amount of $904,817 and HOME funds in the amount of $467,942 for programs and activities to assist our community. This funding was utilized to facilitate the City's and HUD's mutual goals of providing decent housing, creating a suitable living environment, and expanding economic opportunity for individuals and families earning at or below 80% of the area median income.

The City's Grants Administration Office retains the primary responsibility for the program administration of the CDBG and HOME programs. Lynchburg also receives funds for the Shelter Plus Care Program. This program is administered by a local non-profit agency, Lynchburg Neighborhood Development Foundation (LNDF).

The CAPER is prepared each year to summarize expenditures made in the previous year for the CDBG and HOME programs. The CAPER is intended to present community development accomplishments from a broad perspective, in addition to demonstrating what has been accomplished with the programs made possible with HUD funding.

On January 26, 2010, City Council approved the goals for housing and non-housing development, which constitute the priority needs stated in the Plan. The primary objective of the CDBG program is to continue to develop viable urban communities through decent housing, suitable living environments and expanded economic opportunities for low- and moderate-income persons; the City of Lynchburg supports assisting individuals with disabilities, substance abuse or addiction, persons with AIDS, persons that are homeless, and elderly persons. The goals are to:

1. Increase the number of owner-occupied units.

2. Rehabilitate substandard housing units. Emphasis is to be placed on programs that require an investment of funds and/or labor on the part of the owner commensurate with the owner's resources.

3. Support initiatives to increase permanent affordable rental and housing ownership opportunities.

4. Support programs that assist individuals in retaining their homes in challenging economic times.

5. Eliminate neighborhood deterioration, blight and blighting influences.

6. Support the organized efforts in neighborhoods to leverage their resources to improve and sustain community livability and services.

7. Support economic development efforts which will expand job opportunities and retention.

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

Within the City of Lynchburg's Five-Year Consolidated Plan, the City committed to the overarching goal of undertaking activities that would result in substantial public benefit through the revitalization of depressed areas and in assistance to low and moderate-income residents. These are the central City neighborhoods that surround the downtown business district and are the seven contiguous census tracts that comprise the CDBG target area: Census Tracts 4, 5, 6, 7, 11, 12, and 13. The Census Tract Map attached to this document (Map 1) depicts the boundaries of the CDBG target areas in the City.

Population, demographics, and surveys of these neighborhoods show that they have the highest degree of housing need and are where many of the City's very low- and low-moderate-income persons reside. CDBG and HOME funds were allocated citywide providing persons and/or households assisted met the eligibility criteria of the applicable program. The Project Maps attached to this document (Maps 2-4) illustrates the location of all projects funded with Program Year 2010 CDBG and HOME grant funds, with the exception of project activities conducted on a City-wide basis.

The 2010 HUD income guidelines for area median family income (AMFI) for Lynchburg is $58,100 for a family of four. Incomes in these neighborhoods continually trend below incomes City-wide and a disproportionately greater number of non-whites live in the target market (66.6%) white the City-wide non-white population is 33.4% of the population. There is a high incidence of rental units in these tracts. Indications of housing cost-burdens, overcrowding, substandard conditions, and the presence of boarded/vacant units is predominate in these neighborhoods.

Within the City there are many public and private resources assisting residents of these neighborhoods in meeting their housing and community development needs. Current market conditions and available resources are documented in the Plan and the service and housing providers identified. Many of these providers receive funds from the CDBG and HOME programs. The Consolidated Plan lays out specific objectives that are designed to reach the goals and that provide quantifiable benchmarks for review during the subsequent yearly process of the Action Plan.

An overriding objective stated in the Plan is to maximize existing partnerships between the private and public sector so that City funds will continue to be leveraged with outside resources. It is through such collaborative efforts that the citizens of Lynchburg can address housing and non-housing needs where they are felt the greatest. Other objectives include:

1) Setting an optimum balance in neighborhoods where 70 % are owner-occupants;
2) Placing a priority on helping existing owners maintain their homes;
3) Coordinating services with housing, especially for persons with special needs;
4) Preserving existing housing by identifying appropriate present uses for structures and by applying available resources, such as tax credits, for low-income and for historic renovation;
5) Continuing the rental inspection program; and
6) Coordinating the City's downtown revitalization efforts with housing improvement efforts in the target area.

SUMMARY OF RESOURCES AND DISTRIBUTION OF FUNDS

In the First Year of the Consolidated Plan, Program Year 2010 (FY11), the City received $904,817 in CDBG entitlement funds and $467,942 in HOME entitlement funds. Along with these entitlement funds, reprogrammed prior year funds of $142,415.10 in CDBG were allocated to eligible projects. The City also estimated program income in the amount of $2,030 for the CDBG Program and a prior year correction of -$8,425.68 in the HOME Program. Therefore, the total amount of CDBG and HOME funds the City allocated for projects and activities during the Program Year 2010 was $1,508,778.42. This represented a total of $1,049,262.10 in CDBG and $459,516.32 in HOME dollars.

The City allocated the majority of its CDBG and HOME funds for projects and activities classified as housing, public service and public facilities. The details and specifics of the services, programs and accomplishments, as well as an analysis of expenditures, is provided in this CAPER.

The following tables outline how the City allocated its CDBG and HOME funds during this reporting period.

CDBG PROGRAM PROJECTS (2010-2011)

Project	Award Amount
Bluffwalk Section 108	$310,283.00
City Administration	125,979.00
Lynchburg Redevelopment and Housing Authority (LRHA) Administration	43,545.00
LRHA Delivery-Rehabilitation	14,479.00
LRHA Delivery-Disposition	14,479.00
LRHA Delivery-Acquisition	96,455.00
LRHA Spot Blight Program	80,000.00
Fifth Street Community Development Corporation (CDC)/City Improvements – Phase II	100,000.00
Lynchburg Community Action Group (Lyn-CAG) Housing Rehabilitation	70,000.00
Rebuilding Together- Housing Rehabilitation	70,000.00
Virginia University Roof Replacement	14,319.55
YWCA-Town Center Building Renovations	4,000.00
Camp Kum Ba Yah Scholarship Program	20,000.00
The Gateway House, Inc.	25,000.00
Interfaith Outreach	5,000.00
Miriam's House	20,000.00
United Way, Smart Beginnings	10,722.55
YWCA-Domestic Violence Prevention Center (DVPC)	25,000.00
Totals	**$1,049,262.10**

HOME PROGRAM PROJECTS (2010-2011)

Project	Award Amount
City Administration	$16,353.00
Greater Lynchburg Habitat for Humanity (GLHFH) Homebuyer Program	65,000.00
Lyn-CAG Community Housing Development Organization (CHDO)-Homebuyer Program	75,000.00
Lyn-CAG Substantial Rehabilitation Program	150,000.00
Lynchburg Neighborhood Development Foundation (LNDF) CHDO Hilltop Homes Rehabilitation	48,163.32
LNDF Tinbridge Hill Housing Development	105,000.00
Totals	**$459,516.32**

On September 26, 2011 a public notice was published in the *News and Advance* stating that a draft of the proposed Program Year 2010 Consolidated Annual Performance Report (CAPER) was available for public review for a 15-day public comment period. The advertisement stated that City Council would be conducting a public hearing on October 11, 2011 to receive public comments regarding the draft CAPER.

In addition to the 15-day public comment period and the public hearing held by City Council, copies of the draft CAPER were made available for public review at the following locations in and throughout the City:

- Grants Administration Office, Second Floor, City Hall, 900 Church Street, Lynchburg, Virginia 24504
- Lynchburg Public Library, 2311 Memorial Avenue, Lynchburg, Virginia
- Downtown Branch Library, City Hall, Basement Floor, 900 Church Street, Lynchburg, Virginia 24504
- City website at www.lynchburgva.gov/grants

General Questions

1. **Assessment of the five-year goals and objectives:**

    a. **Describe the accomplishments in attaining the goals and objectives for the reporting period.**
    b. **Provide a breakdown of the CPD formula grant funds spent on grant activities for each goal and objective.**
    c. **If applicable, explain why progress was not made towards meeting the goals and objectives.**

Program Year 1 CAPER General Questions Response:

ASSESSMENT OF HOUSING GOALS AND PRIORTIES

This section of the CAPER examines the similarities and differences in the proposed and actual accomplishments of the goals identified within the 2010-2015 Consolidated Plan. These goals helped to form the priorities identified in the City's 2010 Consolidated Annual Action Plan, and the strategies to be used or implemented in order to achieve the stated goals. To provide this comparison, the City has narrated the actual achievements for each program/activity in which funds were expended during the Program Year 2010, which is the first reporting period of the 2010-2015 Consolidated Plan.

PRIORITY #1: CREATE NEW HOMEOWNERSHIP OPPORTUNITIES FOR LOW-TO-MODERATE-INCOME FAMILIES

Goal 1: Increase the number of owner-occupied units.

To the degree that predominance of rental units in a neighborhood is seen as destabilizing, the City wants to provide incentives for qualified persons and low- and moderate-income to consider the benefits of homeownership, especially if it is more cost-effective than renting and if it builds wealth for the individual household. Several programs are supported by the City that incorporates these elements.

Note: This goal is directly related to the HOME Program. See HOME Program Narrative (Pages 42-49) for the accomplishments.

PRIORITY #2: REHABILITATION OF SUBSTANDARD HOUSING UNITS
PRIORITY #3: SUPPORT PROGRAMS THAT ASSIST LOW-TO-MODERATE INCOME PERSONS IN RETAINING THEIR HOMES

HOME PROGRAM

Note: These two priorities are also related to the HOME Program. See HOME Program Narrative (Pages 42-49) for these accomplishments.

Goal 2: Rehabilitate substandard housing units through support of public and private programs. Emphasis is to be placed on programs which require an investment of funds and/or labor on the part of the owner, which are commensurate with the owner's resources. In addition, maintenance of homes will be enforced through

applicable ordinances and building code requirements, and through owner initiatives to rehabilitate existing rental properties.

To achieve the objective of making all housing units safe, decent and affordable it is necessary to extend assistance to private property owners, particularly low and moderate-income homeowners. These goals also provide the opportunity for the homeowner to have their homes rehabilitated and the ability to retain ownership.

Goal 3: Support programs that assist individuals in retaining their homes in challenging economic times.

Another important aspect of improving and sustaining community livability and services is to build on the existing assets within the various neighborhoods. This can be accomplished by investing in existing housing stock through renovating and rehabilitating the housing stock in the target areas so that these neighborhoods can retain and attract contributing residents for better stability of the neighborhood and thereby increase values. Housing characteristics of the target area support the need for rehabilitation and revitalization of beautifully older neighborhoods with aging housing stock that can be modernized and brought back through the investment of funds, especially if targeted with community development activities.

As the majority of the City's vacant and deteriorated housing sits in the target area, the City wishes to make its housing stock active and revive the neighborhoods, thereby increasing value and stability.

The City has made significant efforts in providing financial support for the rehabilitation of substandard housing units through the partnership with agencies and organizations such as Lynchburg Neighborhood Development Foundation (LNDF), Lynchburg Redevelopment and Housing Authority (LRHA), Greater Lynchburg Habitat for Humanity (GLHFH), Rebuilding Together Lynchburg, Lynchburg Covenant Fellowship, other agencies, and non-profit organizations. Some of the investments that have been made during this program year include the following:

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

Lynchburg Community Action Group (Lyn-CAG)

Lyn-CAG through its Housing Rehabilitation Program expended funds in the amount of $72,552 to provide housing rehabilitation assistance to eight (8) owner-occupied households. The property addresses are as follows:

1. 1015 Fillmore Street
2. 906 Florida Avenue
3. 703 Dinwiddie Street
4. 1623 Bedford Avenue
5. 812 Wise Street
6. 1017 Floyd Street
7. 942 Brook Street
8. 1101 Fillmore Street

This assistance was provided to seven (7) African-Americans; one (1) white; and all were low-to-moderate-income persons who were within the very low (50%); extremely low (30%); and Low (80%) of the Median Family Income (MFI) level.

In addition to the CDBG and HOME funds expended for housing rehabilitation, Lyn-CAG received from other financial sources a total of $308,331 for other housing related programs. These funds were received from: Department of Energy Weatherization Assistance Program (WAP) ($62,397); State Department of Housing and Community Development (DHCD) Homeless Intervention Program ($122,918); DHCD Shelter Grant ($32,016), United Way of Central Virginia ($91,000), and gifts-in-kind for donated materials.

In the previous program year (Program Year 2009) Lyn-CAG received a three-year grant for the following housing programs: American Recovery and Reinvestment Act (ARRA) ($579,347); and Homeless Prevention and Rapid Re-housing (HPRP) ($363,631). The expenditure of these funds continued during Program Year 2010 and, to date, eighty-three (83) homeowners have been assisted with the ARRA funds and ninety-four (94) persons have been assisted with the HPRP funds.

In the previous program year (Program Year 2009) Lyn-CAG received $70,000 from the City's CDBG American Recovery and Reinvestment Act (ARRA) funds. During Program Year 2010 these funds were expended to complete three homeowner housing rehabilitation projects located at 815 Second Street, 1017 Floyd Street, and 1403 Fillmore Street.

Rebuilding Together Lynchburg- Housing Rehabilitation

Rebuilding Together Lynchburg is a part of a national organization called Rebuilding Together, with a local chapter in the City of Lynchburg and other neighboring and surrounding counties.

Since a disproportionate amount of the repairs are actually performed by volunteers, the organization receives grant funding and contributions for operational costs such as, cost of materials, executive director's salary, and cost of the labor for specialty laborers/contractors (i.e., plumbers, electrician, mechanical HVAC, etc.). Rebuilding Together Lynchburg is very active in providing repair assistance to low-to-moderate-income homeowners with a particular emphasis or concentration on the elderly and disabled.

During this reporting period, Rebuilding Together was allocated $70,000 and expended $14,000 of Program Year 2010 funds for direct costs. Rebuilding Together received funds in the amount of $67,325 from other non-profits, foundations, corporations, and individuals that enabled them to assist other low and very low-income homeowners with minor rehabilitation repairs.

In Program Year 2009 Rebuilding Together received $61,663 of American Recovery and Reinvestment Act (ARRA) funds through the City's CDBG Program. During Program Year 2010, $32,088 has been expended. There have been thirty-four (34) homeowner housing rehabilitation projects completed with these funds. Of these households: seven (7) were White; twenty-seven (27) were African-American; and all households were low (51-80%) or very low-income (below 50%) of the Median Family Income (MFI) level.

Lynchburg Redevelopment and Housing Authority (LRHA)

LRHA received $190,934 of Program Year 2010 CDBG funds to address slum and blighted properties within targeted areas and neighborhoods. The funds were allocated for the acquisition, disposition, and direct costs that are associated with housing structures and/or vacant lots that are deteriorated and have a detrimental impact on surrounding properties and neighborhoods.

During this reporting period, LRHA expended $143,811 of Program Year 2010 and prior years' allocations for acquisitions, disposition and direct costs associated with the Spot Blight Program. Within this amount, LRHA expended $36,000 of Program Year 2009 funds for the acquisition of 407 Pine Street, 1816/1818 Vine Street, 1801 Floyd Street, and 516 Polk Street during this reporting period.

During this reporting period, LRHA continued to maintain its housing rehabilitation program in conjunction with the Spot Blight Program. The primary goal of this housing program is to encourage and increase the rehabilitation of vacant and deteriorating structures in the targeted neighborhoods. Participants, who submit an acceptable rehabilitation proposal to the Authority, must be willing to rehabilitate the properties under the program terms and conditions. The major conditions besides the normal timeframes and specifications for construction are as follows:

(1) Should the applicant who is doing the renovation desire to occupy the structure after renovations they must:

- verify that their income is at or below 80 % of the median income for the area; and
- agree to use the structure as their main place of residence for a period of not less than one year.

(2) Should the applicant desire to rent the structure after rehabilitation they must:

- show proof that the renters income is at or below 80 % of the median income for the area; and
- rent the structure for a period of not less than one year.

(3) Should the applicant desire to sell the property, the sale must benefit a family whose income is at or below 80 % of the median income for the area.

Currently, LRHA has six (6) properties under rehabilitation agreements. In addition, LRHA is currently accepting proposals for the acquisition and rehabilitation of two (2) previously-acquired CDBG properties. The properties are located at 1801 Floyd Street and 1816 Vine Street. These substandard properties are located in the Diamond Hill neighborhood.

Lynchburg Redevelopment and Housing Authority (LRHA) – Rental Rehabilitation Program

In an effort to encourage owners of substandard rental properties to make improvements to their properties, LHRA provides financial assistance through a Rental Rehabilitation Grant Program. A portion of CDBG funds that the City allocates to LRHA annually are used to support this program. In order to participate in the program the properties must be located in the designated areas or boundaries within the City of Lynchburg.

Fifty percent (50%) of the total amount of the improvements, or a maximum of $5,000 whichever is less, is provided to the rental property owners on a matching basis only. The improvements generally include updating, replacement or conversion of heating and air systems, window and roof replacement, and other internal or external repairs. In accordance with the regulations, the improvements that are made by rental property owners, who are also participants in LRHA's Section 8 Program, are segregated to major systems replacement or repair.

LRHA received $100,000 in the previous program year (Program Year 2009) for the Rental Rehabilitation Program. During this reporting period, LRHA expended $13,668 of these funds for the rehabilitation of the following housing units. These units are occupied by low-to-moderate income persons.

PROPERTIES ASSISTED THROUGH RENTAL REHABILITATION GRANT PROGRAM

3206 Nelson Street
1004 Tyree Street
1423 Pierce Street

PRIORITY #4: SUPPORT AFFORDABLE PERMANENT HOUSING INITIATIVES:

Goal 4: Support initiatives to increase permanent affordable rental and housing ownership for low-income households. In addition, the City supports assisting individuals with disabilities, substance abuse or addiction, persons with AIDS, persons that are homeless, and elderly persons.

HOME PROGRAM

Note: This priority is also related to the HOME Program. See HOME Program Narrative (Pages 42-49) for the accomplishments.

This priority allocation recognizes the need to increase the availability of affordable housing for renters and for homeowners, especially housing that meets the varied needs of the City's lower-income population. With a priority for decent and affordable rental housing for the very low-income, this goal expands the City's previous position on mixed used in its older neighborhoods.

The City has traditionally, and will continue to support and partner with housing and public service providers to meet the needs of low-to-moderate-income persons, homeless individuals and families, and persons with disabilities or other special needs. The City has approved CDBG and HOME funds (specifically for housing development or rehabilitation) that were used to address the need for permanent and/or long-term housing for the City's special needs population.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

Miriam's House – Enhancing Special Needs Housing

Miriam's House is a long-term transitional housing program for women with or without children. It is not a shelter because it seeks to be preventative in the realm and quality of the environment that it provides for the children, and rehabilitative for the adults. The City approved and Miriam's House expended CDBG funding in the amount of $20,000 for Program Year 2010, which was used to support or supplement its operational costs related primarily to staff salaries for the counselors and other service providers. As in previous years, Miriam's House has methodically made housing, programs, and service provisions available for this special needs population.

During this reporting period, Miriam's House served twenty-four (24) women and nineteen (19) children. Of the women and children who received services: fourteen (14) were White; twenty-four (24) were African-American; one (1) was American Indian or Alaska Native; one (1) was African American and White; three (3) were Hispanic; and all were extremely low-income persons.

City of Lynchburg, Lynchburg Neighborhood Development Foundation (LNDF) – Special Needs Housing

In addition to the CDBG funding, the City, as the recipient of Shelter Plus Care (S+C) grant, continues to work, in conjunction with LNDF, to achieve the overall goals and objective of the grant program. The S+C program promotes the achievement of self-sufficiency for formerly homeless persons with disabilities by providing permanent supportive housing. LNDF continued, in Program Year 2010, as the supportive services provider and was responsible for provision of the permanent housing or the Tenant Rental Assistance (TRA). The S+C grant previous reporting period was March 1, 2010 – February 28, 2011. During that period, LNDF provided TRA to thirteen (13) participants, which averaged approximately $5,330 per month. The total annual amount of the supportive services match was $71,130.

Outlined below is a demographic breakdown of the S+C participants that received tenant rental assistance during the reporting period.

# OF SINGLES NOT IN FAMILIES	# OF ADULTS IN FAMILIES	#OF CHILDREN IN FAMILIES	# OF FAMILIES
6	7	11	7

The Gateway House, Inc.

The Gateway House, Inc.'s mission and purpose is to provide residential substance abuse recovery and other supportive services to homeless men seeking to rebuild their lives. The Gateway provides recovery in a safe, supportive, and accountable environment. The residents of The Gateway have access to meals and life-rebuilding programs and services which teach them to: identify needs for personal growth and health and address those needs, utilizing partnerships with other local agencies; establish a solid recovery by developing a strong support system, attending a minimum of 5 twelve-step meetings each week, and obtaining a twelve-step sponsor and home group; obtain employment; identify financial and legal obligations and begin paying them down; and begin saving toward obtaining permanent housing.

The Gateway Program's goal paralleled the commitment of the City to support initiatives that targeted the special needs population. For that, and other reasons, the City awarded The Gateway House, Inc. $25,000 in CDBG funds to help support the costs to operate (salaries and benefits of The Gateway's staff). All of the $25,000 allocation was expended during the program year.

The Gateway served a total of forty-one (41) men during this program year. Four (4) men graduated from the long term phase of the program and two (2) graduated from the short term phase and left the program positively; and one graduated from the short term to long term program. Eighteen (18) of the forty (40) men continue in the program. Of these men: thirty-four (34) were White; seven (7) were African-American; and all were very low-income persons.

Rush Lifetime Homes of Central Virginia

Rush Lifetime Homes, Inc. (Rush Homes) provides housing along with supportive services to people with disabilities who are experiencing homelessness in Central Virginia. The agency provides services necessary for eligible clients to achieve self-sufficiency. Such services include case management, education, employment assistance, child care, etc. Rush Homes has three (3) housing units in Lynchburg and two (2) in Madison Heights in which they provide case management to six (6) residents. Funds received to provide operational support for this program included $51,100 from the Department of Housing and Urban Development (HUD) and $12,080 in tenant rents. Rush Homes documented approximately eighty (80) volunteer hours for this project this program year.

The racial data for the persons served included five (5) White persons and one (1) African American. All of the persons were extremely low-income persons.

Young Women's Christian Association (YWCA) Town Center Renovations

The YWCA Town Center is located within the Central Business District (Census Tract 5) and operates a Women's Residence Program for single women over 18. All women must work or have some form of income. Some residents are recently released from a substance abuse program; some come from prison; some have just come to Lynchburg for the first time; some can no longer live at home. The YWCA is seeing a great need for housing for women that are mentally challenged or suffer from mental disorders. The City's service population is reached through referrals from United Way Information and Referral, social service agencies and organizations, emergency shelters, transitional living facilities, and through word of mouth. It is very gratifying when the YWCA Women's residence becomes a permanent home for women coming out of our Domestic Violence Prevention Center (DVPC) and/or Transitional Housing Program.

The YWCA Transitional Housing Program has eighteen beds that are set aside for Transitional Housing. Transitional Housing is defined as housing available to formerly homeless women. It is the step between a shelter and permanent housing. The YWCA Transitional Housing program serves women without children who are coming directly from an emergency shelter, a battered women's shelter, a mental health facility, a hospital, a correctional institution, evicted from their homes, kicked out of their homes by a parent, or kicked out from living with friends. In other words, they do not have a regular place to live. These women must demonstrate a willingness to develop a personal plan to move on to independent housing and independent living. Many women have benefited from this program and it is a goal for them to transition to permanent housing.

The YWCA received $4,000 in CDBG funding for the repair and update of the lighting system within the gymnasium at the Town Center facility. To date, bids have been solicited and a contractor has been selected. The project is underway.

NON-HOUSING COMMUNITY DEVELOPMENT GOALS AND PRIORITIES

PRIORITY #5: ELIMINATE NEIGHBORHOOD BLIGHT AND BLIGHTING INFLUENCES

Goal 5: Eliminate neighborhood deterioration, blight, and blighting influences.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

Lynchburg Redevelopment and Housing Authority (LRHA)

LRHA continues to work with the City's designated redevelopment and conservation areas and neighborhood to eliminate blighted and deteriorated properties and other influences to achieve the goal and objectives of a healthy neighborhood initiative. The agency further promotes this initiative, and equally the goal of increased homeownership opportunities, by identifying and acquiring unimproved parcels and making gift conveyances to local non-profit housing agencies for the construction of first-time homebuyers units.

The City has had an ongoing funding commitment to LRHA for the support of such community developments efforts and neighborhood revitalization activities as identified below. The support that the City provides to LRHA, and the other non-profit organizations previously narrated, positively contribute to:

- The rebuilding of a predominately residential neighborhood and areas that were historically active and flourishing commercial "hubs" of the community like, the Fifth Street Revitalization Plan;
- Creating housing opportunities and supportive services and amenities for low and low-to-moderate-income persons; and
- The rehabilitation and improvement of deteriorating housing stock, for both owner and tenant occupied, in order to increase their functional and economic lives.

Listed below is a breakdown of the LRHA programs/activities that received and expended CDBG funds from the City during this reporting period.

Program/Activity	Amount of Funds Allocated for PY 2010	Amount of Funds Expended PY 2010*
Spot Blight/Abatement	$80,000	$63,068.54
LRHA-Rehab (DC)	14,479	2,527.03
LRHA-Disposition (DC)	14,479	8,516.86
LRHA – Acquisition (DC)	96,455	63,402.81
LRHA – Administration	43,545	38,294.99
LRHA – Rental Rehabilitation	-0-	20,899.27
LRHA – Property Repair & Maintenance (Disposition)	-0-	8,822.32
Total Allocated/Expended Amounts	**$248,958**	**$205,531.82**

*The total amount of expenditures this period was from Program Year 2010 allocations and previous years' grant allocations for rehabilitation, acquisition, and disposition delivery costs (DC). LRHA is proceeding with expending the remaining funds allocated from previous years and those allocated in Program Year 2010.

Also listed below are the properties (both vacant and with structures) that have been acquired and/or disposed of during this reporting period. These vacant parcels and structures have been acquired and/or disposed in order to assist in the implementation of the strategies that are necessary to accomplish many of the goals and priorities cited and addressed in this report.

REAL ESTATE ACQUIRED BY LRHA DURING PROGRAM YEAR 2010

1) 1816-1818 Vine Street
2) 407 Pine Street
3) 1801 Floyd Street

REAL ESTATE DISPOSED BY LRHA DURING PROGRAM YEAR 2010

1) 611-613 Washington Street
2) 50 Polk Street
3) 52 & 54 Polk Street
4) 119 I Street
5) 57 & 59 Jackson Street
6) 702 & 708 Fifth Street

PRIORITY #6 NEIGHBORHOOD SUSTAINABILITY AND LIVABILITY

Goal #6: Support the organized efforts in neighborhoods to leverage their resources to improve and sustain community livability and services.

Neighborhoods are an important foundation for improving and sustaining community livability and services. Strong neighborhoods help to create more active and informed citizens which in turn result in a stronger community. Within neighborhoods there are shared identities, issues, concerns, and interests. Each neighborhood has its own unique priorities and character. The neighborhoods within Lynchburg's Historic Districts may be working to preserve the historical aesthetics of the neighborhood. Some neighborhoods have traffic problems while others are dealing with beautification, crime, youth, socioeconomic, and/or family concerns. There are a variety of neighborhood issues, each neighborhood needs an avenue to deal with their own needs so that the community continues to be strengthened and protected.

Supporting the work of neighborhoods in order to create opportunities for citizens to take a leading role in their future is important for improving and sustaining community livability and services. The process must include citizens, government, community organizations, and other stakeholders working together to develop a common goal, mission, and vision to address neighborhood concerns. The purpose of supporting organized neighborhood efforts to leverage their resources to improve and sustain community livability and services is ultimately to develop mutual responsibility and collaboration in community building and problem solving.

Another important aspect of improving and sustaining community livability and services is to build on the existing assets within the various neighborhoods by investing in existing housing stock through revitalization and rehabilitation efforts. Also, creating opportunities to make home ownership available to qualified individuals and providing assistance to help homeowners keep their homes helps to strengthen neighborhoods.

City staff is in the process of developing a formalized effort regarding the sustainability of neighborhoods. Although still under development, operating principles that are proposed to guide the City's work in neighborhoods include:

- Sustaining neighborhoods through partnerships with non-profits, developers, businesses, neighborhood groups, and citizens.
- Recognizing and preserving neighborhood identity, character, history, and diversity.
- Public safety is necessary for vibrant and sustainable neighborhoods.
- Promoting well designed neighborhoods where residents are able to work, shop, and play close to home.
- Fostering connectivity within and among neighborhoods.

Proposed Goals that support the draft operating principles for neighborhoods include:
- Supporting mixed-use neighborhoods with accessible green space.
- Encouraging innovative, safe, and affordable housing choices.
- Recognizing the uniqueness of all neighborhoods and partnering in revitalization efforts.
- Promoting neighborhood partnerships to maximize community resources and facilitate self-sufficiency.
- Connecting neighborhoods through infrastructure and public services.

Objectives and specific benchmarks will be closely linked with the goals noted above. The following neighborhood activities are underway or have been completed for the accomplishments associated with this priority/goal.

In Program Year 2010 the City supported the various neighborhood associations by having staff attend some or all of the neighborhood meetings throughout the City, particularly in the targeted areas. Those targeted area neighborhood associations that met on a consistent basis included: Federal Hill, Fairview Heights, Dearington, Birchwood, Garland Hill, Dearing Street, and Diamond Hill.

Below are specific accomplishments for activities that were supported with the CDBG funds.

Tinbridge Hill Neighborhood

Within the 2010-2015 Consolidated Plan, the City is moving towards focusing funds and efforts on the Tinbridge Hill Neighborhood. Several non-profit groups and churches (Friends of Tinbridge Hill) have joined together to focus on improving the quality of housing and infrastructure in this neighborhood. Tinbridge Hill is anchored by the very active Yoder Community Center which recently underwent a renovation that was partially funded with CDBG funds, City funds, and private funds. In Program year 2011 CDBG funds have been allocated to the Tinbridge Hill neighborhood for a development plan and housing rehabilitations.

During this reporting period the Tinbridge Hill Neighborhood Council (THNC) met monthly and discussed various neighborhood concerns (i.e. crime, code violations), and events. The Friends of Tinbridge Hill met monthly to update each community partner on their respective neighborhood improvement efforts and to discuss the development of a sustainable neighborhood plan.

Fifth Street Master Plan - Infrastructure

The City of Lynchburg in partnership with the Fifth Street Community Development Corporation (CDC) is working to revitalize the Fifth Street Corridor by implementing the Fifth Street Corridor Plan. The plan was adopted by the City Council on May 23, 2006. The purpose of the Plan is to provide a vision and a blueprint for the revitalization of the Fifth Street corridor between Main Street and the Martin Luther King, Jr. Memorial Bridge. Fifth Street serves as a gateway to the City's Downtown and the College Hill, Garland Hill and Tinbridge Hill neighborhoods which are located within CDBG targeted census tracts.

Construction of the first phase of the Fifth Street improvements was completed in September 2009 and included a two block area fronting Fifth Street between Harrison and Jackson Streets. The project included the construction of an urban roundabout flanked by plaza areas at the intersection of Fifth and Federal Streets which is the center of the corridor. Streetscape improvements in the form of wider sidewalks, street trees, historic style lighting, and the placement underground or relocating of overhead utilities were completed as part of the project. Aging water and sewer lines were also replaced. On-street parking to benefit local businesses was also added throughout the length of the entire corridor where appropriate. Phase I was completed at a cost of $1.75 million which included $122,949 in CDBG funds.

Since completion of Phase I, benches, trash cans, bus shelters, and electrical service to the roundabout have been added to the Corridor. These additions were funded by $54,800 in stimulus funding.

Recently announced is the planned purchase of property owned by LRHA on the northeast corner of the roundabout by LNDF. LNDF plans to construct commercial and residential units on the property. LNDF recently completed a significant new addition to the Fifth Street corridor with the recent renovation of the historic Pyramid Motors building on Federal Street. The 22,000 square foot building was converted to house obstetrics and pediatrics for the Johnson Health Center and for Centra Health's Program of All Inclusive Care for the Elderly (PACE). Historic and New Market Tax Credits were utilized for the $5 million project. These recently completed and planned projects are supported by the revitalization efforts funded by CDBG and City capital dollars.

Phase II of the Fifth Street improvement project which will include the blocks from Harrison to Main Street is scheduled to start construction September 2011. The project will include the same streetscape amenities as constructed in Phase I, but will include more significant water and sewer line replacements funded by the City's utilities fund. Phase II will include $100,000 of CDBG funds.

Lynchburg Neighborhood Development Foundation (LNDF) has acquired 702/708 Fifth Street from the Lynchburg Redevelopment Housing Authority. City staff and the Fifth Street Community Development Corporation plan to assist LNDF with the development of these properties. The properties had been slated for demolition. Thru the partnership $60,000 of CDBG funds will be used to stabilize the buildings for future renovation and return to use. An additional $17,000 of CDBG funding will be used to purchase street benches and identity banners upon completion of the Phase II construction.

Lynchburg Neighborhood Development Foundation (LNDF) – Neighborhood Redevelopment Projects

LNDF, in partnership with the Virginia Community Development Corporation (VCDC), engaged in a large-scale community development project within the Fifth Street Corridor known as the Pyramid Project. Fifth Street, a once thriving commercial center for the African-American community, has experienced a decline as a result of economic and social changes in the City. As a result of several years of work on the part of the City and area residents a plan for revitalization and redevelopment of Fifth Street, the Fifth Street Corridor Master Plan was approved by City Council in 2006. LNDF has been working in the neighborhoods adjoining Fifth Street for several years.

LNDF acquired and renovated the CW Warthen Building (407 Federal St.) into a 22,000 square foot medical services facility, housing two tenants serving the needs of the medically-underserved and the low-to-moderate-income elderly of the region. The building has been placed on the state and national historic registers and qualified for Historic Preservation Tax Credits. The use and location of the project allows it to be eligible for another source of equity investment, New Market Tax Credits, a federal tax incentive for commercial development in distressed areas. The combination of these investment mechanisms and the participation of a national community development lender, Local Initiatives Support Coalition (LISC), allow LNDF to provide a high-quality space to tenants for a very affordable rent. The construction contractor was C.L. Lewis and incorporated many "green" elements in the renovation, including the use of solar power for certain energy components.

PACE is a medically-based model that permits elderly participants to continue living at home while receiving social, medical and rehabilitative services. PACE is a national program whose local agencies serve some of the most vulnerable patients in our system – the indigent, frail and elderly. The need for PACE was recognized several years ago and the Centra Health Board of Directors was the major program sponsor. PACE occupies half the building.

Johnson Community Health Center (JHC) is a federally-qualified community health center, created in 1998, serving the region, especially targeted populations, such as minorities, the socially-economically disadvantaged, and the medically underserved. JHC has tripled its patient base since its inception in 1998 and provides excellent primary care to the residents of Lynchburg. The main facility of JHC is located in Tinbridge Hill, a low-income, distressed neighborhood. JHC has other sites in the area providing specialized care, such as dental and obstetrics. Growth projections call for increased pediatric and women's health services. JCH occupies half the building.

The Pyramid Project is a leading force in the redevelopment of Fifth Street. The impact of this project has benefited the neighborhood in a variety of ways – the most important of which was to show the private sector that reinvestment in Fifth Street is good business. The project also improved conditions for the people living in the surrounding neighborhoods by bringing services and economic opportunities to this community. The benefits specific to this project included: preserved a historic building next to Fifth Street; attracted private investment into Lynchburg; generated more activity – increased medical staff and patients; provided more medical services to area residents, especially low- and moderate-income; and supported and stimulated commercial and retail businesses along Fifth Street.

Diamond Hill Recreation Center – Building Renovations

The Diamond Hill Recreation Center, located at 1005 Seventeenth Street, is a neighborhood recreation center that is owned and operated by the City of Lynchburg for the residents of the Diamond Hill neighborhood. The Center is located in Census Tract 11 of the CDBG-targeted area.

Due to the much needed building repairs necessary for the Center, there was CDBG Program Year 2006 funds in the amount of $125,744 allocated for the renovation of the building. Phase I of the renovation project has been completed. This work included: clearing and grubbing of a purchased parcel of property for a parking lot across the street from the Center; construction of storm water and sidewalk infrastructure, erosion control measures; installation of parking lot lighting; construction of American with Disabilities Act (ADA) playground replacement and supportive design services.

Phase II of the building renovation project is complete. This Phase include continued site work, installation of recreational amenities, and landscaping.

In addition to the above-stated CDBG allocated funds, the City reallocated an additional $20,000 of CDBG funds that was previously designated for the Yoder Recreation Center project.

The City has expended approximately $350,147 which included Capital Improvement Project (CIP) funds in the amount of $204,403 and $145,744 of the allocated CDBG funds for the completion of Phase I and II of this project. The project is in the process of being closed.

Virginia University Building Renovations

Virginia University of Lynchburg was awarded $14,320 in CBDG funding for replacement of a roof on one of the University's recognized historic building, the Mary Jane Cachelin Science and Library Building.The building is 64 years old and has the original roof on it. The building has been recognized by the City as part of the Historic District Area of Virginia University of Lynchburg. In addition to MJC Center, also included in the historic district are Graham Hall, Humbles Hall and the land associated with these campus buildings. These buildings are recognized by the Commonwealth of Virginia on the Virginia Landmark Register and are currently under review for inclusion in the National Register of Historic Places. The project will require that the old roofing be completely removed, disposed of, and the underlayment replaced and prepared.

During Program Year 2010 the University completed the replacement of the roof. The CDBG funds will be reimbursed to the University during Program Year 2011.

PRIORITY #7: SUPPORT ECONOMIC DEVELOPMENT

Goal 7: Support economic development efforts, which will expand job opportunities and support job retention for low- and moderate-income individuals.

The City's goal is to encourage more commercial and industrial development in order to provide more jobs in the inner city. The City will use the following strategies: (1) increase participation in downtown redevelopment and revitalization especially to support the majority of residents who are low- and moderate-income; (2) review and seek to continue to provide financial assistance for facade improvement grants to businesses in the Downtown census tract to further redevelopment in this area and instill pride in our Main Street; (3) encourage continued support from the area banks in the privately-funded Enterprise Zone Loan Pool, which provides reduced rate loans to eligible businesses; (4) continue to support the Business Development Centre, a non-profit organization which provides Small Business Administration loans, other loans, and technical assistance to emerging businesses; and (5) continue participation in the Welfare to Work program that encourages welfare recipients to take advantage of job opportunities that will promote work and encourage the formation and maintenance of stable families. The City will also support projects that recruit and train low income persons and assist them in obtaining employment. The City will continue its efforts to establish a third enterprise zone and continue implementation of the Downtown master plan for the redevelopment of Downtown.

The City has two Enterprise Zones: Enterprise Zone Number 2 - Downtown and Enterprise Zone Number 46 – Lynchpin. Most of the downtown redevelopment and commercial and industrial development will increase the number of jobs and wages for low-to-moderate-income persons, decrease vacant and/or dilapidated non-revenue producing properties, increase business sales volume in the revitalized neighborhoods and increase small business loans in targeted neighborhoods.

The City continues its implementation of the Downtown/Riverfront Master Plan adopted in March 2001. Sasaki & Associates and Economics Research Associates developed the twenty-year (20) plan encompassing a sixty-block (60) area.

Implementation continues to focus on four (4) areas: infrastructure/public space improvements, culture and entertainment, commercial development, and government projects, and is supported by City Council's annual commitment of $.5 million in capital funds in Fiscal Year 2011 (Program Year 2010).

During Program year 2010 major renovations within the Downtown and surrounding area of the Enterprise Zone 2 totaled $5.6 million and included: Genworth building renovations; Lynchburg College new Doctor of Physical Therapy building; River Ridge Mall renovations; 908, 910 and 912 Main Street mixed use space (commercial and residential), eighteen (18) living spaces; mixed use project on Washington Street, fifteen (15) loft apartments; and the relocation of a new company, L&R Precision Machinery.

In Enterprise Zone 46 there was a total of $15.1 million expended and included: major renovations at J. Crew, which added 177 jobs; Babcock and Wilcox (B&W) renovated leased space in Lynchpin Industrial Park; Harris Corporation in Lynchpin installed a new communication tower; and the City opened a new Park, Ivy Creek, on land donated by the Economic Development Administration (EDA).

Housing is a critical component of the Downtown Master Plan and increases demand for retail and entertainment. Several new loft apartment housing projects have been built and others are in planning. The ten (10) unit Parlor Lofts project, at the corner of Ninth and Main Streets, has been completed and fully leased. At street level, a restaurant/convenience store has occupied the space. The developer has also acquired adjacent buildings and has completed twenty-six (26) additional loft apartments. In addition, the ground floor will be leased to retail tenants. In the same block, fourteen (14) loft apartments have been completed and leased over existing commercial space. Underway on Washington Street is a planned thirteen-unit (13) loft apartment complex. A number of other loft conversions are either underway or anticipated downtown.

Other private development includes The Academy of Fine Arts, which completed the construction of a fly tower valued at $2 Million. Phase Two of the renovations to the Historic Theatre and public spaces is now underway. The estimated cost is $25 million to complete this work. The Theatre’s fund raising campaign members continue to approach local, regional and national supporters for their gifts. It also anticipates significant funding from historic and new market tax credits as the project moves forward. Upon completion, the Academy of Fine Arts will be a key component to the successful revitalization of Lynchburg's historic downtown, strengthening its business environment, and enhancing the quality of life for Central Virginians.

Public downtown and Riverfront redevelopment/infrastructure projects totaling $15.7 million that have been completed or are underway include: D Street Bridge Replacement (completed); Rivermont Bridge Renovations; Lower Bluff Walk-Phase I;

Jefferson Street South; Kanawa Canal Bridge Improvements; Blackwater Trail Relocation to the North side of Riverfront Park and Parking Improvements; and Lower Bluff Walk – Phase II and III. Funds in the amount of $7.2 million were expended on these projects during this program year.

During this program year the Business Development Center (BDC) did not make any loans from its CDBG Revolving Loan Fund; however, the Center did continue providing technical assistance to potential small business owners. The BDC staff conducted training classes, marketing workshops, and one on one consultation with participants who were exploring small business ownership and/or loans. In addition the BDC staff pursued other regional loan programs that could assist with sustaining the small business loan program. During the life of the CDBG Revolving Loan Fund, there were twenty (20) loans granted with a total value of $165,250. The CDBG Revolving Loan Fund has been dissolved and $54,836 was returned to the City. These funds will be reprogrammed during Program Year 2012.

In the Consolidated Plan (2000-2005) the City guaranteed $3,200,000 in HUD Section 108 loan funds for the Bluffwalk Center project. The project has produced approximately $8,838,038 in Historic and New Market Tax Credit equity, most of which went directly into the Lynchburg economy in terms of construction jobs and construction materials. As a result of these investments, 54.6 full-time equivalent jobs were made available to low-to-moderate-income individuals within this project.

During this reporting period the hotel component of the Bluffwalk Center project has continued to experience financial difficulties. In August 2010, the City paid the $247,198 Section 108 principal payment loan obligation to HUD.

PRIORITY #8: SUPPORT OF PROGRAMS FOR THE HEALTHY DEVELOPMENT OF THE CITY'S AT-RISK YOUTH, ADULTS AND FAMILIES

Goal 8: Promote activities which support the healthy development of the City's at-risk youth, adults and families

The City supports and will continue to serve at-risk youth, adults and families to provide comprehensive, collaborative, and quality services that empower youth and families. Goals established include: identifying the needs of youth and families and working collaboratively to meet those needs, providing high quality service and programs needed by youth and community programs that impact youth and families, and development of prevention resources and programs.

As evidenced in identifying families with children, especially those of low-income, having significant housing needs, the City also recognizes that support services to these families are needed in addition to housing resources. Therefore, significant resources are invested in the City's many neighborhood and community centers which are beginning to benefit from partnerships with private sector groups and organizations to maximize the public benefit.

In addition, the City will continue to support public service providers in order to meet the needs of the low-to-moderate income persons, individuals with disabilities, substance abuse or addiction, persons with AIDS, persons that are homeless, and elderly persons. In addition to the services provided by the City's Department of

Social Services and Juvenile Services, there are many nonprofit organizations that coordinate with the City to provide the services needed.

Programs/activities that received and expended CDBG funds from the City during this reporting period for this goal included the following:

Young Women's Christian Association (YWCA) – Domestic Violence Prevention Center (DVPC)

The 2010 CDBG funds ($25,000) allocated to the DVPC were expended to pay a portion of the DVPC Director's salary. The DVPC is an emergency shelter for abused women, men and children, who are in most cases, severely financially challenged. There was $25,000 expended during this reporting period.

The Center makes available to these women, men and children various programs and services such as intervention, court advocacy, counseling and food, and referral services. During the program year, the DVPC provided shelter and services to 125 families (Female-Head, Head of Household), which included 6,152 persons of various racial and ethnicity categories. The diversity included: Hispanic/Latino (90 persons); Asian (7); White (4,477); African-American (1,575); and American Indian/Alaskan Native one(1); and Native Hawaiian or Other Pacific Islander two (2). In addition to the shelter and services provided, the DVPC answered 5,386 hotline calls and provided 6,096 nights of shelter.

Success by 6 Coalition – (Gus the Learning Bus)

Success by 6 Coalition is an early childhood development initiative serving Central Virginia. The Coalition is made-up of community leaders from the business, government, education, health and human services agencies coordinated by the United Way of Central Virginia. The goal of the Coalition is to ensure that all children are prepared to succeed in school.

In Program Year 2010 Gus the Learning Bus Program received CDBG funds in the amount of $10,723. The funds were used to help support the operation and delivery costs incurred for "Gus the Learning Bus" during the program period. Expenditures in the amount of $4,652 were incurred for educational materials to be placed on the bus, fuel and regular/needed maintenance and equipment for the bus, and salaries for part-time drivers of the bus. This program served: seventy-five (75) youth; sixty-five (65) African-Americans and ten (10) White, non-Hispanic.

Camp Kum-Ba-Yah- Campership Assistance

Camp Kum-Ba-Yah provides outdoor day-camp experiences for children ages 5-12. Each year Camp Kum-Ba-Yah provides financial assistance (referred to as Campership Assistance) that allows many children to attend whose families would not otherwise be able to afford camp.

Program Year 2010 CDBG funds in the amount of $20,000 were allocated to the Campership Assistance Program. During this reporting period Camp Kum-Ba-Yah expended $10,000 of the CDBG funds and awarded forty (40) scholarships to low-income families. Of these families, five (5) were White; twenty-five (25) were African-American; one (1) was Asian; and three (3) were Hispanic. In addition, the outdoor day-camp enrichment programs were provided to an additional 178 youth. The second session of these summer camps will be conducted within Program Year 2011 and the remaining CDBG funds will be expended.

Interfaith Outreach Association (IOA) – Emergency Heating Assistance Program for the Elderly (EHAPE)

The EHAPE program is a stand alone program. IOA is the only organization known to specifically target the elderly with this type of assistance. IOA provides the minimum (for heating fuel that's equivalent to 50 gallons) which will heat a home for a few days to one week, depending on the weather and usage.

During Program Year 2010 IOA received $5,000 of CDBG funds and was able to assist eighteen (18) households with these funds. Eleven (11) households were Female-Headed Households; two (2) were White; and Sixteen (16) were African-American.

College Hill Neighborhood School (CHNS)

The College Hill Neighborhood School (CHNS) has historically provided parenting and childhood education and daycare services to low-to-moderate clientele in the College Hill Neighborhood. In Program Year 2007 and Program Year 2008 the College Hill Neighborhood School was awarded $10,000 and $3,481, respectively, of CDBG funds to expand their traditional parenting and childhood education program and daycare services to include women who populate the emergency and transitional shelters in the area. There are three shelters within the School's neighborhood that provide short-term housing for women and children. Many of these women have preschool age children who because of their circumstances have little or no chance of attending a preschool program.

There was $11,684 of CDBG funds expended during this reporting period for the prior year's expenses. These funds provided educational materials and direct costs for the children served. Six (6) children attended the school: two (2) White and four (4) African-American and they were all extremely low income households.

Due to the reduction in financial resources for overhead and operations, the School has closed and the remaining funds were reprogrammed in Program Year 2011.

Hunton-Randolph Community Center – (Youth Programs)

The Hunton-Randolph Center is a non-profit organization located at Twelfth and Taylor Streets. The organization was established to provide educational, enrichment, and recreational programs to families within the CDBG-targeted areas but particularly those living within Census Tracts 6 and 11.

The Center received $25,000 in CDBG funds to provide direct costs associated with three of the family programs at the facility. These programs are: (1) College Focus to provide guidance for college entry after high school; (2) Heart Health Fitness will assist seniors in developing a more active lifestyle; and (3) Healthy Kicks After School Tutorial that will address anger management, bridging the achievement gap, childhood obesity and healthy eating habits.

The Center did not expend any funds for this activity during this reporting period. City staff is currently providing technical assistance to the Center staff to complete this activity.

2. **Describe the manner in which the recipient would change its program as a result of its experiences.**

The City acknowledges the challenges of producing affordable housing options and providing programs and services to low-income communities and people. The City continues to review its approach to how we administer, evaluate, make decisions, and implement the CDBG and HOME programs. We intend to address this by redefining desired outcomes for all of our programs and the path in which we will achieve them.

The City has updated its subrecipient agreements, revisited policies and procedures, providing additional oversight and monitoring of agencies utilizing federal funds, and providing training for non-profits and entities applying for and receiving CDBG and HOME funds. The training provides a foundation for non-profits to operate within program guidelines and regulations, as they work for the greater good of the Lynchburg community. In addition to the training, recipients of federal funds will be provided one-on-one technical assistance based upon their individual needs. City staff continues to take advantage of training opportunities to build internal capacity.

The City feels confident that these strategic and deliberate steps will improve the quality of service delivery and housing in our community. However, as the housing market continues to decline with more foreclosures and increases in the cost of doing housing rehabilitation, the City will be challenged to come up with strategies to address these issues.

3. **Affirmatively Furthering Fair Housing:**

a. Provide a summary of impediments to fair housing choice.

The City's Consolidated Plan contains a number of objectives that address housing goals for lower-income persons, or people with incomes ranging from 30% to 80% of the area median income. Using CDBG, HOME, and Shelter Plus Care grant funds, the City funded programs to address the housing needs of this population during the program year.

Background data has been collected for the draft Analysis of Impediments to Fair Housing (AI). With new Census information and a community engagement program focused on housing it is the goal of the City to complete the update to the AI by June 2012. The AI will include and identify the actions taken to overcome effects of the impediments identified.

b. Identify actions taken to overcome effects of impediments identified.

As stated above, the City is working towards completing an updated Analysis of Impediments to Fair Housing. However, during this reporting period, the following actions were taken to further fair housing in our community:

- Fair Housing brochures were distributed to the public through the CDBG sub-recipients and to persons visiting City Hall, the public libraries, and the Community Development Office.
- The City is a member of the Homeless and Housing Coalition, composed of service providers who prepare the Continuum of Care to address the needs of homeless persons and the special needs of persons that are not homeless but require supportive housing.
- Lynchburg Redevelopment and Housing Authority (LRHA) posted in every building for which Section 8 occupants are located a Federal Fair Housing Poster. There is also a poster in each LRHA staff person's office located at 918 Commerce Street.
- In addition to the web site and newspaper advertisements, City staff ensured that all bid documents and contract solicitation for City, Federal and State projects included solicitation of minority-owned and women-owned businesses.
- Two public notices were published in April 2011 for "Fair Housing Month".
- All non-profits that receive CDBG and HOME funds have their own marketing policy that indicates recruitment and solicitation of minority-owned and women-owned businesses where possible.
- City staff assisted contractors in obtaining the certified list of minority-owned and women-owned businesses. The vendor/contractor list provided on the State of Virginia's web site was distributed to contractors, as requested.

4. Describe Other Actions in Strategic Plan or Action Plan taken to address obstacles to meeting underserved needs.

To assist in addressing the housing and community development needs of underserved citizens, the City of Lynchburg focused a significant amount of federal resources on rehabilitation and home buying activities. Several non-profit agencies were funded with CDBG and HOME funds to undertake rehabilitation and homeownership activities.

Financing availability continues to be one of the main obstacles in addressing underserved needs of the City's residents. With declining government program support, the private sector will have to play a key role in making up for this loss.

The City, particularly through its partnership with the local non-profits, has continued to promote the involvement of private citizens, banks, corporations, and others in community development activities. As more people become involved the proper and effective coordination of this involvement will become even more challenging.

The City of Lynchburg continues to support cooperative ventures, and to initiate cooperation where it is lacking. City Council exercised a coordinating role in its allocation of CDBG and HOME funds to sub-recipient organizations, and through the establishment of the Consolidated Plan. Other examples of coordination include the Code Enforcement Task Force, where citizens and City staff meet to discuss problems and plan activities. The Central Virginia Disability Services Board meets bi-monthly, and involves the region's local governments and disabled citizens.

Shared responsibility also implies the open exchange of information and the combination of scarce resources. The City maintains a leadership role in this regard, while opening the process to all interested parties, including low- and moderate-income citizens.

The City continues to seek reduction in the number of households with incomes below the poverty line by 10% each year through long-term solutions such as education (including adult education and job skill training), economic development, and coordinated supportive services. These areas are traditionally within the local government's sphere of influence, and the Lynchburg City Council has placed significant emphasis and funding in these areas.

City staff reviews the quarterly reports for each CDBG and HOME project that is funded to ensure that the City is meeting the goals and objectives stated in the Consolidated Plan. For projects that are not meeting the goals established in the Consolidated Plan and Annual Action Plan City staff contacts the agency to discuss the project and the necessary action that will be needed to bring the project to a current status.

City staff reviews each CDBG and HOME project to ensure that funds are being expended in accordance with the program regulations and that the project funds are being expended in a timely manner. If a project has not expended funds during the quarterly review, City staff contacts the agency to discuss the project status and the importance of expending the project funds in a timely manner.

For ongoing HOME rental projects City staff requires the agency responsible for the project to submit to the City an annual HUD HOME Monitoring Checklist, Project Compliance Report for Rental Housing and Project Compliance Checklist. This information is reviewed for HOME Program compliance.

The City's CDBG and HOME funds are audited in conjunction with the City's annual audit. City Council reviews on an annual basis the remaining project funds and determines if funds will be retrieved from agencies and reprogrammed to other projects.

5. Leveraging Resources

a. Identify progress in obtaining "other" public and private resources to address needs.

The utilization of CDBG, HOME, and other federal grant funds has had a substantial impact on the City's ability to leverage other resources to redevelop economically distressed neighborhoods and provide renewed opportunities for our residents. The Commonwealth of Virginia is a leader in the provision of affordable housing programs. The City of Lynchburg, particularly through the Economic Development Authority (EDA) offers various incentives at the local level, and a vast array of other public and private resources are available to address the needs of our community. The section below provides details of this leverage.

b. How Federal resources from HUD leveraged other public and private resources.

Public Resources:

The City of Lynchburg operates several programs and services which contribute to community revitalization. These include the following:

- The Property Maintenance Division of the Community Development Department enforces ordinances regarding abandoned vehicles, illegal dumping, and weeds.

- The Buildings & Grounds Division of the Public Works Department coordinates the following programs:

    - Adopt a Flower Bed: Businesses purchase plants, which City employees plant and maintain. Currently there are about twenty flower beds, mostly along the highways.
    - Arbor Day: A day to celebrate and promote planting trees within the City .
    - Tree Stewards: A volunteer program to maintain and trim City trees.
    - Citizens for a Clean Lynchburg: Partly funded by a Virginia Department of Environmental Quality grant (primarily to pay for a part time volunteer coordinator), this volunteer program promotes litter prevention.

- The Waste Management Division of the Public Works Department operates the Adopt a Street program. Sixty (60) locations throughout the City, each at least one-half mile long, are cleaned by volunteers.

- The Utilities Department operates the Combined Sewer Overflow ("CSO") Program. The largest of all the City's capital improvement programs, this program separates the storm water and waste water system from the current - one system - into two systems. The project will take more than thirty (30) years and nearly $500 million to complete. Thus far, the Program has spent $26 million of local funding (provided by sewer fees); $160 million in State funding (VCWRLF loans); $47 million in federal funding (grants); and $19 million in Federal Stimulus (ARRA) funding.

- The Inspections Division of the Community Development Department administers a complaint-based Property Maintenance (land and structure) Program. Under this program properties are cited for various violations of the City's Property Maintenance Code where owners are given certain deadlines for compliance. If compliance is not attained, the City takes the owner to Court for judgment and resolution of the violation(s).

- The City's Department of Social Services (DSS) manages nine (9) programs that coincide with CDBG-funded public service activities provided to nonprfits. Many of the non-profit agencies utilize the services provided by the City for their clients. They are listed as follows:

    - Child Care Services: Provided to enable low-income families (regardless of Temporary Assistance to Needy Families (TANF) status) to be employed or to prepare for employment.
    - Employment Services: Provided to TANF recipients to help secure employment, education, or training. Several services are offered.
    - Services to Adults: Services to the elderly and disabled, including emergency assistance with prescription medications, food, clothing, and shelter.

- Energy Assistance Program: Programs to offset rising costs of heating (and, if available, cooling). Also provides assistance with heating equipment and fuel.
- Supplemental Nutrition Assistance Program (SNAP): Supplements the food purchasing power for low-income households.
- Medicaid Assistance Program (MEDICAID): Pays for medical, dental, pharmaceutical, and optometric care for recipients of public assistance and medically needy persons.
- Temporary Assistance to Needy Families (TANF): Monthly assistance to needy families with children ages birth to 18 years.
- Temporary Assistance to Needy Families - Unemployed Parent (TANF-UP): Monthly assistance to needy two-parent families with children children ages birth to 18 years when the primary wage-earner is unemployed.
- Virginia Initiative for Employment not Welfare (VIEW): Clients are given up to two years of supportive services and an additional year of transitional services to obtain gainful employment. This program is required for all TANF recipients.

Other HUD grants used in the community are the Supportive Housing Program, Shelter Plus Care, housing opportnities for Persons with AIDS, and McKinney-Vento Homeless Assistance. McKinney-Vento Homeless Assistance funds are provided to Miriam's House, Lyn-CAG, LNDF, the Salvation Army, and YWCA.

In September 2008, Virginia University of Lynchburg received a $600,000 "Historically Black Colleges and Universities" grant from HUD to revitalize the housing stock surrounding the University. A total of eight (8) houses were

rehabilitated and one (1) new house was built. The total number of persons served by this grant was twenty-three (23). All of the houses are within two blocks of Humbles Hall on the Univesity campus.

Quasi-Public Resources:

The "Community Dialogue on Race & Racism" began in January 2008 and achieved its goal of beginning a community-wide discussion of community issues. The City currently has seven action groups meeting: 1)Police; 2)Education/Youth & Family Support; 3)Diversity Events; 4)Citizens Advocacy/Strengthening Community; 5)Faith-Based; 6)Communications/Media; and 7)Workforce Development.

Churches United for Service (CUS) grew out of the Community Dialogue. It is an association of ministers, mostly from downtown, and primarily African-Americans. CUS has held at least two "love walks", in which ministers, Lynchburg police officers, community leaders, and other citizens walk in downtown communities and visit households to take a stand against violence.

The Homeless and Housing Coalition (HHC) is a group of service providers in the greater Lynchburg area presenting a continuum of care to the public. Many of these service providers are funded in whole or in part by federal grant money.

Private Resources:

The Salvation Army and Lynchburg Daily Bread are two places in the City where people from the greater Lynchburg area can come for a hot meal every day, with no questions asked. The Salvation Army offers breakfast and supper, whereas Lynchburg Daily Bread offers lunch. The Salvation Army has been serving Lynchburg and the surrounding counties of Campbell, Bedford, Amherst, Appomattox, and Nelson for over 100 years.

The Salvation's Army Center of Hope has expanded its existing social services, transitional shelter, emergency shelter services, and the community meals program. It is handicapped-accessible allows family suites are available in the transitional shelter section.

The Salvation Army also houses a day care program on its campus. Salvation Army staff offer life skills and lay-counseling to needy individuals and helps them to find employment and establish credit.

Lynchburg Daily Bread receives food from businesses, churches, individuals, and the USDA. Any excess is shared with other non-profit organizations. When lunch is over, the facility is used as a day shelter for individuals and families.

The Gateway House, Inc. is a program for homeless men recovering from substance abuse. The Gateway receives in-kind contributions, and donations from churches, community organizations, businesses, and individuals. Volunteers live at the Gateway four nights per week to assist residents.

In Program Year 2010 the United Way of Central Virginia funded fifty-seven (57) programs for thirty (30) agencies in Central Virginia, including agencies who also receive HUD grant funds. Local foundations funding area non-profits include: the Greater Lynchburg Community Trust, the Centra Health Foundation, the Retail Merchants Foundation, the Easley Foundation, and the Plymale Foundation.

The Free Clinic of Central Virginia, a private, non-profit corporation, exists "to provide primary medical, nursing, dental, pharmaceutical, and educational services to those in Central Virginia who do not have the resources to obtain this basic health care." The Free Clinic screens clients and targets the underinsured and uninsured. Funding for the Free Clinic is provided by the United Way and charity events such as the Smith Mountain Lake Home Tour, the Downtown Lofts Tour, and the James River Basketball Tournament. The majority of the professionals and support staff provide their services free of charge, thus maximizing the impact of each dollar raised to support the Free Clinic.

Lynchburg Covenant Fellowship (LCF) began as an ecumenical ministry launched by The Church of the Covenant. It has grown over the past fifty-eight (58) years to become its own organization and has since created several other independent organizations, such as New Land Samaritan Inns. LCF has entities in the City of Lynchburg and in the counties of Amherst, Appomattox, and Bedford. It has worked successfully with the following entities**:** HUD (Section VIII Rental Assistance and Section 202), Lynchburg Health Department, Lynchburg DSS, Virginia Housing Development Authority, LRHA, YWCA, Central Virginia Community Services Board, Central Virginia Training Center, Lyn-CAG, LNDF, Rush Homes, private businesses, and agencies which have become independent of LCF. LCF owns and operates seven (7) housing complexes for impoverished persons, including Shalom Apartments.

Lyn-CAG "serves to effectively assist low-income families and individuals in the Central Virginia Region 2000 community to move from economic and social dependency to self-sufficiency." Region 2000 encompasses the Cities of Lynchburg and Bedford and the counties of Amherst, Appomattox, Bedford, and Campbell. Lyn-CAG is a United Way agency and also receives funds from Section VIII, SHARE-HIP, and HOPWA. Lyn-CAG offers crisis intervention, shelters, housing, transportation, housing improvement, lead, financial, educational and training, and community reentry (for released inmates) services. The Housing Improvement and Weatherization programs are funded by the CDBG program. The Substantial Rehab Program is funded by the HOME program. Lyn-CAG is one of the City's two Community Housing Development Organizations (CHDOs) and rehabilitates and/or constructs homes for first-time home buyers.

c. How matching requirements were satisfied.

The HOME program requires that participating jurisdictions (PJs) provide match funds in amounts equal to no less than 25 % of the total HOME funds drawn down from the jurisdictions HOME program account for project costs. Allowable reductions are made for PJs that experience fiscal distress or major disasters in accordance with the Stafford Act.

Fiscal distress can be categorized by the following criteria: 1) the family poverty rate is 125% or more of the national poverty rate; and 2) the per-capita income is less than 75% of the national average. When a PJ meets one of these distress criteria, it is determined to be in fiscal distress and thereby receives a 50 % reduction of its match requirement. If a local jurisdiction satisfies both of the distress criteria, it is determined to be in severe fiscal distress and receives a 100 % reduction of its match requirement. The City does not meet the criteria to be classified as severely distressed.

With respect to HOME funds, the City began the Program Year 2010 period with $1,366,879 in excess match carried over from the prior year. During Program Year 2010, the City accrued $227,700 in additional match credit from Greater Lychburg Habitat for Humanity (GLHFH) HOME-assisted units. Based on the HOME Matching Liability Report (PR33) from the HUD Integrated Disbursement and Information System (IDIS), a total of $408,394 in HOME funds were disbursed requiring a match liability from July 1, 2010 to June 30, 2011, of which $51,049 was subject to the 12.5% match requirement applied to the City. A balance of $1,543,530 in excess match to carry over to Program Year 2011 remains available for future years.

Managing the Process

1. Describe actions taken during the last year to ensure compliance with program and comprehensive planning requirements.

Program Year 1 CAPER Managing the Process response:

The City of Lynchburg ensures compliance with program and local requirements by incorporating approved accounting procedures, providing internal and external audits, monitoring and following HUD regulations and requirements.

Citizens provide an additional layer of compliance monitoring through community input and the Citizen Participation Plan. Additionally, comprehensive planning with other governmental entities ensures continual adjustments to long-term statistics relative to housing, homeless and other special needs populations.

Citizen Participation

Program Year 1 CAPER Citizen Participation response:

1. Provide a summary of citizen comments.

On September 26, 2011 a public notice was published in the *News and Advance* stating that a draft of the proposed Program Year 2010 Consolidated Annual Performance Report (CAPER) was available for public review for a 15-day public comment period. The advertisement stated that City Council would be conducting a public hearing on October 11, 2011 to receive public comments regarding the draft CAPER.

In addition to the 15-day public comment period and the public hearing held by City Council, copies of the draft CAPER were made available for public review at the following locations in and throughout the City:

- Grants Administration Office, Second Floor, City Hall, 900 Church Street, Lynchburg, Virginia 24504
- Lynchburg Public Library, 2311 Memorial Avenue, Lynchburg, Virginia
- Downtown Branch Library, City Hall, Basement Floor, 900 Church Street, Lynchburg, Virginia 24504
- City website at www.lynchburgva.gov/grants

The draft report provides citizens with details concerning the federal funds made available to the City for furthering the objectives of the Consolidated Plan. The report also identifies the total amount of funds available (including program income), the total amount of funds expended during the reporting period, and the geographic distribution of expenditure of funds within the various census tracts.

Any citizen comments received during the public comment period and public hearing will be incorporated into the final document for submittal to HUD.

2. In addition, the performance report provided to citizens must identify the Federal funds made available for furthering the objectives of the Consolidated Plan. For each formula grant program, the grantee shall identify the total amount of funds available (including estimated program income), the total amount of funds committed during the reporting period, the total amount expended during the reporting period, and the geographic distribution and location of expenditures. Jurisdictions are encouraged to include maps in describing the geographic distribution and location of investment (including areas of minority concentration). The geographic distribution and expenditure requirement may also be satisfied by specifying the census tracts where expenditures were concentrated.

The goal of this report is to compare the anticipated benefits projected in the City's Annual and Five-Year Plans with the actual accomplishments achieved. This report also allows local citizens and elected officials, and representatives of HUD to evaluate the City's performance and assess its status in meeting the five-year goals established in the 2010-2015 Five-Year Consolidated Plan.

The CAPER reviews how the City of Lynchburg used federal funding provided by HUD to successfully implement programs and projects that address its community development objectives during Program Year 2010 (July 1, 2010 through June 30, 2011).

Within the City of Lynchburg's Five-Year Consolidated Plan, the City committed to the overarching goal of undertaking activities that would result in substantial public benefit through the revitalization of depressed areas, and in assistance to low- and moderate-income residents. These are the central city neighborhoods that surround the downtown business district and are the seven contiguous census tracts that comprise the CDBG target area: Census Tracts 4, 5, 6, 7, 11, 12, and 13. The census tract map attached to this document (Map 1) depicts the boundaries of the CDBG target areas in the City. In addition, within the HOME Program, homebuyer assistance was provided to low-to-moderate income persons based on individual needs for affordable housing.

The majority of the CDBG and HOME funding this reporting period was allocated for activities classified as housing, public service, and public facilities. Details of the services, programs, and accomplishments and an analysis of expenditures are provided throughout the CAPER and within the IDIS reports included with this CAPER.

Institutional Structure

1. **Describe actions taken during the last year to overcome gaps in institutional structures and enhance coordination.**

Program Year 1 CAPER Institutional Structure response:

Federal CDBG and HOME, as well as the City's General Fund are overseen by several City committees, commissions, and City departments. The City Council, as the governing body of the City of Lynchburg, is responsible for all policy decisions and approves all City funding recommendations, so that ultimately funding for housing and service providers is coordinated through the City Council.

Information of funding proposals and awards are advertised and distributed to non-profit entities and other interested organizations and City departments so that they are aware of available funding and funding awards. Applicants provide information on other funding sources for the project and for their organization.

The City's Community Development Advisory Committee (CDAC) reviews all funding requests and makes recommendations to the City Council on all activities proposed to be funded through the CDBG and HOME programs. The City Council makes the final funding decisions. The Grants Administration Office oversees the administration of the CDBG and HOME program and reviews the progress of sub-recipient grantees toward meeting their programmatic goals.

City of Lynchburg residents and other interested persons had several opportunities during the program year to comment and offer suggestions on funding through regular meetings and public hearings.

The Grants Administration Office is responsible for the preparation of the City's Consolidated Plan, Annual Action Plan and Consolidated Action Plan Performance and Evaluation Report. The Grants Administration Office also coordinates interdepartmental discussion regarding priorities and programs which arise from or affect the City's planning process and ensures that federally funded programs are addressing the City's priority needs in compliance with its Consolidated Plan.

Monitoring

Program Year 1 CAPER Monitoring Response:

1. Describe how and the frequency with which you monitored your activities.

The Grants Administration Office is responsible for monitoring programs that receive CDBG and HOME funds. A sub-recipient agreement is prepared for all agencies outside of the local government. This agreement contains the required HUD applicable statutory and regulatory requirements.

Monitoring of projects is done in several ways. First, sub-recipients are typically reimbursed for expenses, rather than provided funds up-front. The City requires receipts, time sheets, and other relevant documentation with the reimbursement request. Also, sub-recipients are required to submit quarterly performance reports, which are reviewed for consistency with the City's program and financial records.

During this reporting period, the City's policy was to conduct at least four sub-recipient on-site monitoring visits at least once per year. These monitoring visits were conducted by the Grants Administration and Financial Services Department staff. At the on-site monitoring visits for the housing and acquisition projects, a random selection of address files were reviewed for program compliance. For all other projects a visual inspection was made of the various accomplishments completed with program funds and a narrative submitted on the benefits for low and low-to-moderate-income persons. There is a monitoring checklist that is completed at the time of the review and then summarized. The financial reviews include a selection of reimbursements from the City. The reimbursements are traced through receipt and disbursement of funds. When all staff has completed their reviews the monitoring comments are compiled and a letter written to the agencies advising them of the results of the monitoring reviews and if any corrective action is needed. Technical assistance is provided as needed, or requested.

Because of staffing constraints, some activities were monitored remotely through quarterly performance reports and information provided with reimbursement requests.

2. Describe the results of your monitoring including any improvements.

The City conducted on-site monitoring visits at the following agencies during this program year for CDBG and HOME funded projects:

1) Greater Lynchburg Habitat for Humanity;
2) Lynchburg Redevelopment and Housing Authority;
3) Lynchburg Community Action Group;

4) Rebuilding Together Lynchburg;
5) Lynchburg Neighborhood Development Foundation;
6) YWCA of Central Virginia;
7) YWCA Domestic Violence Prevention Center;
8) The Gateway, Inc. and
9) Camp Kum-Ba-Yah.

Overall, the agencies were operating their projects within the required CDBG and HOME Program regulations. The agencies' staff were advised to contact the City Gants Administration staff at any time if technical assistance was needed.

3. Self Evaluation

a. Describe the effect programs have in solving neighborhood and community problems.

Using HUD funds, the City of Lynchburg continues to play a critical role in ensuring the sustainability and operation of activities and programs of significant benefit to our residents. The City has used CDBG funds to provide services to Lynchburg's most vulnerable populations, with programs that include job training and placement, facilities and services for the homeless, programs for at-risk youth, programs for persons experiencing domestic violence, and seniors. CDBG funds have also been used to improve parks, public facilities, and provide business and technical assistance for businesses located in low-income areas. HOME and CDBG funds have been used to improve substandard housing, provide assistance to purchase homes and create new affordable housing. These activities directly enhanced the overall quality of life in these areas.

b. Describe progress in meeting priority needs and specific objectives and help make community's vision of the future a reality.

The City of Lynchburg's Consolidated Plan contains ambitious goals to address community needs and improve the quality of life for its residents, especially low- and moderate-income residents. City staff regularly reviews the five-year goals and priority needs as defined in the City's 2010-2015 Consolidated Plan and recommends any modifications to programs needed based on those reviews. Any amendments to the Consolidated Plan are presented to the Community Development Advisory Committee for review. If approved by the Committee, any amendments are submitted to the City Council for approval before submission to the HUD Richmond Office.

The City believes that it has effectively used its HUD funding to address as broad a range of community development objectives as possible. It plans to continue to support a wide range of programs and activities to provide services, affordable housing and economic development opportunities for low-and moderate-income persons.

c. Describe how you provided decent housing and a suitable living environment and expanded economic opportunity principally for low-and moderate-income persons.

The City obligated all of its CDBG and HOME funds to specific programs, projects and activities. Using the federal entitlements and program income Lynchburg funded:

eight (8) housing projects this program year with CDBG and HOME funds. Of the HOME funds, one (1) HOME CHDO project, Lynchburg Community Action Group, was funded during this reporting period.

The City maintained its effort in promoting the priority needs, goals and objectives stated in its Annual Action Plan. The City did not make any changes to the program year objectives. It focused on addressing housing needs in the CDBG-targeted areas. The City continued to evaluate ways to increase available resources, improve the strategic use of resources to leverage more non-profit and private sector activity, and increase activity that would eliminate major blighting influences that might impede the conservation and redevelopment of neighborhoods.

d. Indicate any activities falling behind schedule.

There are two CDBG activities behind schedule; however, City staff is closely monitoring those projects for completion.

e. Describe how activities and strategies made an impact on identified needs.

During the reporting period, CDBG and HOME funds made possible a number of activities to address the housing, economic, human and neighborhood development, and homeless services needs of the community. Under the General Questions Section (Pages 6-24) a partial list of the results achieved is provided in reaching over 6,590 persons, families and households. The impact on their needs was achieved through activities and strategies focused on:
-- developing homeownership opportunities
-- eliminating blighting structures and conditions
-- repairing and rehabilitating owner-occupied housing
-- maintaining and operating shelters and services for the homeless
-- developing decent, affordable multi-unit rental housing
-- after-school and other youth educational and personal development
-- emergency, elderly and other special needs housing assistance
-- neighborhood facilities and infrastructure improvements
-- developing project experience for neighborhood organizations

f. Identify indicators that would best describe the results.

At the present time, the output indicator of over 6,590 people served and sixty-three (63) units of housing assistance (home ownership or repair/rehabilitation) provide reasonable indicators of the results achieved during the reporting period. For additional output indicators, see item 1.a. under the General Questions Section (Pages 6-24).

g. Identify barriers that had a negative impact on fulfilling the strategies and overall vision.

The overall economic climate and reduced funding allocations in the City's federal programs have provided barriers to the City's progress in fulfilling the City's strategies and vision. The consistent reduction in federal funding directly impacts the ability of non-profit agencies to meet low-income, underserved populations in our community.

h. Identify whether major goals are on target and discuss reasons for those that are not on target.

Major goals were on target during this program year.

i. Identify any adjustments or improvements to strategies and activities that might meet your needs more effectively.

Areas to expand and improve in Program Year 2011 include:

- Coordinate management and monitoring of sub-recipients of both CDBG and HOME funds, to improve efficiencies and accountabilities;
- Review policies, procedures, guidelines and other documents for the CDBG and HOME programs;
- Provide training opportunities for staff and sub-recipients, as needed;

Lead-based Paint

1. Describe actions taken during the last year to evaluate and reduce lead-based paint hazards.

Program Year 1 CAPER Lead-based Paint response:

The U. S. Department of Housing and Urban Development (HUD) issued regulations regarding lead-based paint hazards in housing that is financially assisted by the Federal government or being sold by the government. The regulation "Requirements for Notification, Evaluation and Reduction of Lead-Based Paint Hazards in Federally Owned Residential Property and Housing Receiving Federal Assistance took effect on September 15, 2000.

In Lynchburg, approximately 85% of the homes built prior to 1978 contain some lead. Children, particularly those under the age of six, are at risk of lead poisoning if living or repeatedly being in a housing unit containing lead-based paint. Research suggests that lead poisoning has societal costs that include, medical care, special education, behavioral problems, reduced long-term educational attainment, reduced long-term income attainment, increased criminal behavior, and increased hypertension in adolescents and adults.

In accordance with applicable requirements, lead-paint assessments, treatments and/or clearances are conducted on each structure built prior to 1978 in which CDBG and HOME funds are expended. City staff provides each subrecipient, through the written agreements, a copy of the lead-based paint regulations and forms that are to be completed according to the socpe of work for the various activities.

In addition, City staff has been providing information to the subrecipients regarding the requirements of the Renovation,Repair and Painting (RRP) Rule implemented by the Environmental Protection Agency (EPA). Common renovation activities like sanding, cutting, and demolition can create hazardous lead dust and chips by disturbing lead-based paint, which can be harmful to adults and children.

To protect against this risk, on April 22, 2008, EPA issued a rule requiring the use of lead-safe practices and other actions aimed at preventing lead poisoning. Under the rule, beginning April 22, 2010, contractors performing renovation, repair and painting projects that disturb lead-based paint in homes, child care facilities, and schools built before 1978 must be certified and must follow specific work practices to prevent lead contamination.

HOUSING

Housing Needs

Program Year 1 CAPER Housing Needs response:

1. Describe Actions taken during the last year to foster and maintain affordable housing.

Preserving existing housing and promoting the production of new affordable housing is a primary mission of the City of Lynchburg. To that end, the City funded a number of programs aimed at addressing this issue. Agencies funded included LRHA, Lyn-CAG, LNDF, Rebuilding Together Lynchburg, Rush Lifetime Homes, and Greater Lynchburg Habitat for Humanity.

A strong emphasis remains on citizen participation through public hearings, technical assistance and public notices in the newspaper. City staff also works continuously with individuals and agencies to assess housing needs, identify plans of action, and ensure that projects that are funded with federal funds meet those needs.

Specific Housing Objectives

1. **Evaluate progress in meeting specific objective of providing affordable housing, including the number of extremely low-income, low-income, and moderate-income renter and owner households comparing actual accomplishments with proposed goals during the reporting period.**

It is extremely difficult to commit to serving a specific number of households at given income levels, because these numbers tend to change due to the financial structure of a development or situation. Housing development is generally a multi-year process that is dependent on many funding sources and is often vulnerable to delays and cost increases. A housing development or project proposed to serve extremely low-income families is often not awarded the amount of subsidy needed to reach the targeted income scale. Also, this type of project may need to be restructured to serve higher income families because there is insufficient subsidy to make the rents or payments low enough to pay operating costs, mortgage and other expenses.

Therefore, it becomes very difficult to commit to serving exact numbers of residents in certain income levels. To assist in mitigating this challenge, the City is completing subsidy layering and underwriting guidelines in place for applicable projects. The City is in the early stages of committing dedicated staff hours to define a specific housing strategy for the City.

In spite of the comments above, the City worked to provide affordable housing assistance to owners and renters at various income levels throughout the program year. The City allocated $220,000 in CDBG funding and $443,163 in HOME funds for projects and activities that will ultimately benefit primarily extremely low-income, low-income, and moderate-income renter and owner households.

Please see 1.a. under "HOME / American Dream Downpayment Initiative (ADDI)" (Pages 42-49) and I.b. under "Community Development" for detailed discussions of the projects involved and the income levels of beneficiaries (Pages 54-59).

2. Evaluate progress in providing affordable housing that meets the Section 215 definition of affordable housing for rental and owner households comparing actual accomplishments with proposed goals during the reporting period.

The Section 215 definition of affordable housing relates to units assisted with HOME funds. Please see 1.a. under "HOME / American Dream Downpayment Initiative (ADDI)" for detailed discussions of the projects involved and the income levels of beneficiaries (Pages 42-49).

3. Describe efforts to address "worst-case" housing needs and housing needs of persons with disabilities.

"Worst case" housing needs involved individuals, often (but not exclusively) renters, with very low-incomes who spend more than half of their gross income on housing costs or who live in severely inadequate housing. The City's efforts to address this circumstance is through assistance for rehabilitation of owner/tenant-occupied housing assistance to homebuyers and assistance for the development of low-income rental housing. During the reporting period, owner/tenant-occupied rehabilitation activities were conducted by Lyn-CAG, Rebuilding Together Lynchburg, and LRHA through its Rental Rehabilitation Program. These activities assist with limited and emergency repairs that often resolve substandard conditions. Homeownership assistance during the reporting period was conducted by LNDF and Habitat for Humanity. The homeownership activities, especially in the CDBG-targeted Census Tracts, were assisted through the acquisition of derelict structures by LRHA.

Suggesting to owners of substandard rental units to rehabilitate their property is never an easy matter. The City has a Rental Inspection Program which compels owners to make improvements to meet Code. However, because of the burdensome federal rules involved with the use of CDBG and HOME funds, owners of substandard rental property often choose not to avail themselves of assistance that may be available. Most progress that is made, therefore, is as a result of Code compliance due to rental inspections.

The City has made investments in larger developments of low-income rental housing.

With respect to addressing the housing needs of the disabled, during this reporting period the City provided $183,533 in HOME funds to Rush Lifetime Homes to develop and construct 24 one-and two-bedroom apartment units to be known as Victoria Ridge. The property is located at 901 Spring Street and 846 Victoria Avenue in the City of Lynchburg. All of the apartments are accessible to people with physical disabilities and 50% of the units conform to HUD's interpretation of the accessible design requirements of Section 504 of the Rehabilitation Act of 1973.

Another project that has is still under development and should be completed during Program Year 2011 with HOME funds includes the Hilltop Homes project. Hilltop Homes is a scattered site, multi-family rental project started by LNDF in 2006 that will improve neighborhoods, provide quality affordable housing, and preserve existing housing stock in several downtown neighborhoods of Lynchburg. This is the third project of its type undertaken by LNDF – prior projects were College Hill Homes and Central City Homes that resulted in sixty-five (65) new affordable units for low-income households in several preserved buildings in the City.

Hilltop Homes received a reservation of Low-Income Housing Tax Credits (LIHTC) through Virginia Housing Development Authority's Preservation Pool. The project consists of thirteen (13) renovated buildings which will result in twenty-four (24) affordable, quality rental units in the downtown neighborhoods of Lynchburg. Construction types include renovation of older houses and adaptive re-use of single family homes into apartments, incorporating a number of sustainable development features.

In some cases, homeownership may be a feasible alternative to substandard rental housing, even for very-low-income families. In worst case situations, such families may be spending more for rent than may be arranged for homeownership. In such instances, a combination of downpayment and closing cost assistance from the City, a reduced purchase price (made possible by HOME development subsidies) and low-interest financing from such sources as VHDA SPARC funds, may be packaged and offer an appropriate path out of inadequate housing.

The City has enhanced its ability to address the housing needs of the disabled through policy and educational initiatives. These involve establishing a focus on the requirements of Section 504 of the Rehabilitation Act, the Americans with Disabilities Act and the Fair Housing Act as they pertain to the use of the City's CDBG and HOME funds by housing providers.

Public Housing Strategy

1. **Describe actions taken during the last year to improve public housing and resident initiatives.**

Program Year 1 CAPER Public Housing Strategy response:

The mission of the Lynchburg Redevelopment and Housing Authority (LRHA), as the Public Housing Authority (PHA) for the City is: "the Lynchburg Redevelopment and Housing Authority is dedicated to the improvement of the quality of life for all Lynchburg citizens by being a leader in community redevelopment, revitalizing neighborhoods and facilitating economic growth and development, by seeking and entering into partnerships with organizations and clients to achieve safe, decent and affordable housing, with an emphasis on homeownership, maintained in a manner that fosters pride and dignity."

The strategies stated in the Public Housing Assistance Annual Plan for Fiscal Year 2010 indicates that LRHA will continue to increase the awareness of the community of existing assistance programs, to attract more landlords to participate in the Section 8 program and continue to work in partnership with other local housing providers such as Lyn-CAG, LNDF, Rush Lifetime Homes, and Greater Lynchburg Habitat for Humanity. An intensive effort with the marketing of available units continues to be advertised on a monthly basis in the local newspaper. The overall performance was satisfactory.

Barriers to Affordable Housing

1. **Describe actions taken during the last year to eliminate barriers to affordable housing.**

Program Year 1 CAPER Barriers to Affordable Housing response:

A primary barrier to affordable housing in the target area is the very low property values that currently apply to lots in these census tracts. This is a large disincentive to development through renovation because the cost of repair typically exceeds the value of the renovated property. Therefore, only non-profit organizations that can access soft costs funds (i.e. finance and construction related costs) and grant funds are able to conduct rehabilitation projects in these areas. The for-profit developers are unable to conduct the extent of renovation necessary to make the houses in the target market amenable to modern housing demands. However, the City did allocate CDBG and HOME funds to non-profit entities to address the needs of extremely low and low-income families and individuals. Agencies funded included the LNDF, Rebuilding Together Lynchburg, LRHA, Greater Lynchburg Habitat for Humanity, and Lyn-CAG.

Lynchburg is a City of relatively low housing costs. Therefore, average income and cost-of-living reflect these somewhat lower housing costs. Recently, there has been a resurgence of housing development, primarily in the outlying areas of the City. Development in the CDBG target areas remain limited to non-profit and subsidized activity. This is due in part to the very low property values in these census tracts and a greater value being placed on improvements to property than to the land itself. In the target areas, this high value on improvements, or buildings, had the effect of costing more than clearing land, and thereby, negating the opportunities of redevelopment. This is also a large disincentive to development through renovation because the cost of repair typically exceeds the value of the renovated property.

The usual barriers, zoning, building code and density issues for the targeted census tracts have been interpreted to encourage appropriate development in these areas. This is especially true in the development by non-profit housing providers where the City has waived or offset utility and other fees for making the project more affordable for the very low and low-income residents.

Despite the cost-to-value disparity, there are several incentives that the City offers to private and corporate entities interested in development in the targeted census tracts. Businesses located in the enterprise zone benefit from tax exemptions on improvements and other tax incentives.

On occasion, the City will either waive or offset fees (e.g., utilities, and liens) in cases of non-profit housing providers developing affordable housing units in a manner consistent with the City's plans.

In order to assist in addressing barriers to affordable housing, City Council has taken the appropriate role for the City to continue supporting cooperative ventures and to initiate cooperation where it is lacking. City Council has also exercised this coordinating role in its allocation of CDBG and HOME program funds to nonprofit organizations. All of the homeownership programs funded with federal dollars include an educational component for potential homebuyers about mortgage financing, credit and budgeting issues, and the responsibilities of homeownership.

HOME/ American Dream Down Payment Initiative (ADDI)

Program Year 1 CAPER HOME/ADDI response:

1. **Assessment of Relationship of HOME Funds to Goals and Objectives**
   a. **Evaluate progress made toward meeting goals for providing affordable housing using HOME funds, including the number and types of households served.**

On January 26, 2010, City Council approved the goals for housing and non-housing development, which constitute the priority needs stated in the Plan for the reporting period of July 1, 2010 through June 30, 2011. These goals reflect the needs that historically have been the needs of the very low-, low-, and moderate-income persons living within the target census tracts and the City. Four (4) of those goals apply to the HOME Program.

PRIORITY #1: CREATE NEW HOMEOWNERSHIP OPPORTUNITIES FOR LOW-TO-MODERATE-INCOME FAMILIES
PRIORITY #2: REHABILITATION OF SUBSTANDARD HOUSING UNITS
PRIORITY #3: SUPPORT PROGRAMS THAT ASSIST LOW-TO-MODERATE INCOME PERSONS IN RETAINING THEIR HOMES

Goal 1: Increase the number of owner-occupied units.

To the degree that predominance of rental units in a neighborhood is seen as destabilizing, the City wants to provide incentives for qualified persons and low- and moderate-income to consider the benefits of homeownership, especially if it is more cost-effective than renting and if it builds wealth for the individual household. Several programs are supported by the City that incorporates these elements.

Greater Lynchburg Habitat for Humanity (GLHFH)

The GLHFH used HOME funds to provide assistance for down payment and closing costs to its program participants, and to finance some of the pre-construction costs associated with site development.

During Program Year 2010, GLHFH Humanity utilized $47,500 of HOME funds for assistance to four (4) homebuyers with down payment and closing costs. Additionally, there was $223,660 in private funding used for the construction of these four (4) new housing units by Habitat for Humanity. Because of these new homeownership opportunities, the homeownership rate in the targeted neighborhoods was increased. These projects were located in Census Tracts 4, 6, 7 and 11. The beneficiaries included seven (7) persons, three (3) of which were White and four (4) of which were all African-American. There were four (4) individuals who were female head of household and three (3) were within the 31-50% median income level and one (1) was within the 51-80% median income level.

Lynchburg Neighborhood Development Foundation (LNDF) – Lynchburg Homeownership Program (LHP)

LNDF has been a long-time advocate and developer of affordable homeownership in the City of Lynchburg. For the 2008 CAPER year, LNDF was allocated $130,000 in HOME funds to help financially facilitate its LHP.

During the 2010 Program Year the LHP provided down payment assistance to four (4) homebuyers and expended $38,700 of these HOME funds. The assistance was provided to two (2) persons who were white and five (5) were African-American and all were within the 51-80% Median Family Income (MFI) level.

Lynchburg Neighborhood Development Foundation (LNDF) – Development Program

During Program Year 2010 LNDF completed the construction of a new housing unit located at 301 Polk Street. The 301 Polk Street project was the result of a collaborative venture between Lynchburg City Schools and LNDF, who agreed to acquire the housing structure constructed by students of the Lynchburg City Schools system. The housing structure was relocated from the school to an interim site, and later to the permanent site at 301 Polk Street. This development project has been completed and is occupied by a low-to-moderate income person.

During this reporting period LNDF expended $90,789 of City HOME funds for the completion of this new construction project.

Lynchburg Neighborhood Development Foundation (LNDF) - Neighborhood Stabilization Program (NSP)/Homeownership Program

In 2009, Neighborhood Stabilization Program (NSP) funds were awarded to LNDF in the amount of $1,056,600 by the Virginia Dept. of Housing and Community Development (DHCD). The intent of the program is to stabilize existing neighborhoods hard hit because of the recent foreclosure crisis in Virginia, by purchasing foreclosed and abandoned properties, rehabilitating them and reselling them to low moderate-and middle-income families.

LNDF proposed to address eleven (11) homes in the first round of funding. This was to be done through a partnership of four (4) non-profits housing developers and other public and private agencies.

NSP Partners

Development Partners:
Lynchburg Neighborhood Development Foundation
Greater Lynchburg Habitat for Humanity
Lynchburg Community Action Group
Rush Lifetime Homes

Neighborhood Partners:
Lynchburg Redevelopment and Housing Authority
Rebuilding Together Lynchburg

Public Partners:
City of Lynchburg
Region 2000 Local Government Council

To date, eleven (11) properties have been rehabilitated and eight (8) have been sold to low-to-moderate income households. One (1) structure has been rehabilitated and provides rental units for two (2) families.

In addition, Program Year 2009 funds in the amount of $180,000 were provided to the LNDF to provide down payment assistance to recipient of the NSP funds. NSP funds in the amount of $944,848 have been expended on the rehabilitation of these properties. There were leveraged funds in the amount of $350,000 designated to this project of which $153,059 has been expended. City HOME funds in the amount of $176,576 have been expended to provide the down payment assistance to the home buyers.

Lynchburg Community Action Group (Lyn-CAG) - CHDO Homeownership Project

Lyn-CAG was allocated HOME Community Housing Development Organization (CHDO) funds in the amount of $75,000 for this reporting period. During this reporting period, Lyn-CAG completed a new construction project located at 210 C Street. Acquisition, demolition and construction of this home costs $192,566. Lyn-CAG expended the HOME CHDO funds from Program Years 2004, 2005, 2006, 2007 and a portion of 2008 on this property. Lyn-CAG staff is currently in the process of assisting a qualified buyer with the financing of the home purchase.

Lynchburg Neighborhood Development Foundation (LNDF) – Tinbridge Hill Development Project

In Program year 2010 City HOME funds in the amount of $105,000 was allocated to LNDF for the Tinbrdige Hill Rehabilitation Project. These funds are going to be used to create three (3) single-family residences for sale in the Tinbrdige Hill neighborhood. The property at 57 Jackson Street has been transferred to LNDF from Lynchburg Redevelopment and Housing Authority (LRHA) as part of their work to implement the Conservation Area Plan in Tinbrdige Hill. This is a continuation of LNDF's effort to increase homeownership opportunities in Tinbrdige Hill. This project offers the opportunity for LNDF to engage in energy-efficient and sustainable building plans designed by another partner, Community Design Group. Construction will be completed during Program Year 2011.

Goal 2: Rehabilitate substandard housing units through support of public and private programs. Emphasis is to be placed on programs which require an investment of funds and/or labor on the part of the owner, which are commensurate with the owner's resources. In addition, maintenance of homes will be enforced through applicable ordinances and building code requirements, and through owner initiatives to rehabilitate existing rental properties.

Goal 3: Rehabilitate substandard housing units through support of public and private programs. Emphasis is to be placed on programs which require an investment of funds and/or labor on the part of the owner and which are commensurate with the owner's resources.

Note: These two goals are directly related, therefore, the accomplishments for them are combined.

Lynchburg Community Action Group (Lyn-CAG) - Substantial Rehabilitation Program

Lyn-CAG received $150,000 in HOME funds for the 2010 Program Year to finance its "Substantial Homeowner Rehabilitation Program". The Substantial Rehabilitation Program targets low-to-moderate-income homeowners who are in need of assistance to make extensive repairs and/or address significant building code related problems.

Through this program, Lyn-CAG expended HOME funds in the amount of $122,161 from prior program years for substantial rehabilitation assistance for two (2) households.

Lynchburg Community Action Group (Lyn-CAG) - CHDO Homeownership Project

Through the Neighborhood Stabilization Program, Lyn-CAG is in the process of completing the rehabilitation of two (2) housing units located at 1810 Locust Street and 604 Gum Street. NSP funds were utilized for the purchase of these properties and City HOME CHDO funds will be used to assist with the rehabilitation and provide the financing for the purchase of these homes. CHDO funds from Program Years 2008, 2009 and 2010 will be expended for the rehabilitation and financing. Lyn-CAG staff is currently in the process of assisting qualified buyers with the financing of the home purchases. To date, no HOME funds have been drawn down for these properties.

Lynchburg Neighborhood Development Foundation (LNDF) – Development/Rehabilitation Program

During Program Year 2010 LNDF substantially completed the rehabilitation of the housing unit located at 704 Madison Street. In an effort to create and/or increase homeownership or owner-occupied housing units within the City, LNDF proposes to sell this home to a qualified, low income-eligible person.

During this reporting period LNDF expended $33,371 of City HOME funds for rehabilitation costs associated with this housing unit.

Lynchburg Neighborhood Development Foundation (LNDF) – Hilltop Homes

Hilltop Homes is a scattered site, multi-family rental project started by LNDF in 2006 that will improve neighborhoods, provide quality affordable housing, and preserve existing housing stock in several downtown neighborhoods of Lynchburg. This is the third project of its type undertaken by LNDF – prior projects were College Hill Homes and Central City Homes that resulted in sixty-five (65) new affordable units for low-income households in several preserved buildings in the City.

Hilltop Homes received a reservation of Low-Income Housing Tax Credits (LIHTC) through Virginia Housing Development Authority's Preservation Pool. The project consists of thirteen (13) renovated buildings which will result in twenty-four (24) affordable, quality rental units in the downtown neighborhoods of Lynchburg. Construction types include renovation of older houses and adaptive re-use of single family homes into apartments, incorporating a number of sustainable development features.

As in the past, LNDF has identified large, formerly single-family houses that are appropriate for renovation into apartments, located in the general vicinity of the downtown section of the City. This development will have the effect of "seeding investment" into blocks where blight and neglect prohibit easy transfer on the general real estate market. In this third project, focus has been in the neighborhoods bordering on Twelfth Street and along Grace Street - College Hill, Diamond Hill, plus some sites on the other side of the downtown in Tinbridge Hill.

LNDF has engaged in a partnership with another non-profit housing entity, the Virginia Community Development Corporation (VCDC), which has been the tax credit syndicate in all LNDF's previous projects, as well as providing equity to several other projects in Lynchburg. The partnership extends beyond previous relationships in that VCDC will be a member of the limited liability corporation created for Hilltop Homes. LNDF has created a taxable corporation which will be the managing member of the LLC.

The primary source of financing is the equity generated by the sale of Low-Income Housing Tax Credits (LIHTC). Other sources will include private and public permanent financing as well as City and State HOME funds. Construction financing is being negotiated with a local lender.

Work has been underway for more than a year during which LNDF identified appropriate buildings and stabilized those in need of immediate structural attention. Credits were awarded through the LIHTC program in 2008 through the non-competitive Preservation Pool. Construction is planned for early 2010 with staggered unit completions to extend into 2011.

The City HOME funds allocated in Program Years 2007 and 2008 in the amount of $34,379 and $49,833, respectively, have been expended. The funds were used to assist with acquisition of the properties, soft costs and stabilization costs for structures within the project. In Program Year 2010 there was an additional $48,163 of City HOME funds provided to this project and will be used to assist with the permanent financing for this project. Once completed, the City will provide in the annual CAPER report the occupancy data for the twenty-four (24) affordable housing units.

Lynchburg Covenant Fellowship (LCF)

In Program Year 2010 City HOME funds in the amount of $40,273 was reprogrammed to LCF for the rehabilitation of one HOME housing unit in the Lynchburg High Apartments rehabilitation project. This extensive renovation project for Lynchburg High Apartments will include updating heating systems, energy efficient appliances, cabinets, weatherization measures, and carpet. There are 70 housing units within this complex and thirty (30) of these units are occupied by the elderly and/or disabled. These renovations will help to lower the residents' utility bills and conserve natural resources. This major renovation project ($8.6 million) will include financial resources of $4.8 million in Low-Income Housing Tax Credits, HOME Program funds, and other state and local funding sources. These renovations will be completed by December 2011. The HOME Program funds will be used in Phase IV of this project which will consist of the renovation of the last twelve units within the total renovation project.

PRIORITY #4: SUPPORT AFFORDABLE PERMANENT HOUSING INITIATIVES:

Goal 4: Support initiatives to increase permanent affordable rental and housing ownership for low-income households. In addition, the City supports assisting individuals with disabilities, substance abuse or addiction, persons with AIDS, persons that are homeless, and elderly persons.

Rush Lifetime Homes of Central Virginia – HOME CHDO

Rush Lifetime Homes, Inc. (Rush Homes) is a designated Community Housing Development Organization (CHDO) non-profit organization dedicated to providing accessible homes to individuals with mental and/or physical disabilities in Central Virginia.

As a CHDO project, Rush Homes purchased the 3.078 acre tract at Spring Street and Victoria Avenue in Lynchburg and assembled permanent financing sufficient to construct twenty-four (24) one (1) and two (2) bedroom apartment units known as Victoria Ridge. The property is located at 901 Spring Street and 846 Victoria Avenue in the City of Lynchburg. All of the apartments are accessible to people with physical disabilities and 50% of the units conform to HUD's interpretation of the accessible design requirements of Section 504 of the Rehabilitation Act of 1973.

Features of Victoria Ridge include: twenty-four (24) apartment units including sixteen (16) one-bedroom (1), one-bathroom (1) units and eight (8) two-bedroom (2), one and one half (1.5) bathroom units. Victoria Ridge meets the standards for Earthcraft Certification which will make the units energy efficient. One bedroom apartments have a minimum of 786 rentable square feet per apartment; two bedroom apartments have 1,094 rentable square feet. Kitchen and laundry appliances and windows meet EPA Energy Star requirements. DSL or cable infrastructure to facilitate access to the Internet is also available.

Per an agreement with Lynchburg Redevelopment and Housing Authority (LRHA), tenants qualifying for assistance will receive Section 8 housing choice vouchers. Fifty percent (50%) of the units are required to receive voucher support. Rush Homes plans to bridge the subsidy while tenants wait for vouchers from LRHA. A majority of the tenants will have vouchers after one year. With this incentive the units will be more affordable to people with extremely low-incomes. Also, bus service is within ¼ mile of Victoria Ridge. For those in need, the Greater Lynchburg Transit Company will provide paratransit bus transport from their door.

Agencies and funding types for Victoria Ridge, a $4,450,679 development, included: Virginia Housing Development Authority (VHDA) loan: $75,000; Virginia Department of Housing and Community Development (DHCD); HOME funds: $500,000; City of Lynchburg HOME funds: $183,533; Equity from the Housing Equity Funds of Virginia: $3,100,000; and American Reinvestment and Recovery Act funds, Tax Credit Assistance Program funds as administered by VHDA: $592,046.

HOME CHDO funds in the amount of $54,886 from Program Year 2008 and $128,647 in Program Year 2009 were allocated to this project and have been expended. The construction of this twenty four (24) unit project has been completed and occupancy is underway. The eleven (11) HOME-assisted units will be occupied by October 2011 and reported in IDIS at that time.

2. HOME Match Report

a. Use HOME Match Report HUD-40107-A to report on match contributions for the period covered by the Consolidated Plan program year.

The HOME Match Report (HUD Form 40107-A) is included in the CAPER as Appendix E.

3. HOME MBE and WBE Report

a. Use Part III of HUD Form 40107 to report contracts and subcontracts with Minority Business Enterprises (MBEs) and Women's Business Enterprises (WBEs).

The HOME MBE and WBE Report (HUD Form 40107) is included in the CAPER as Appendix E.

4. Assessments

a. Detail results of on-site inspections of rental housing.

In Program Year 2010 there were sixty-five (65) annual inspections completed for the Central City and College Hill rental units. In addition to these annual inspections, periodic monthly inspections are completed.

There were eleven (11) annual inspections completed for the Cornerstone rental units. In addition, there are regular inspections/visits conducted by supportive services and management of these units.

Inspections are completed on all HOME-assisted rental units according to HUD requirements.

b. Describe the HOME jurisdiction's affirmative marketing actions.

The City of Lynchburg encourages affirmative marketing and fair housing. All advertisements by the Grants Administration Office relative to affirmative marketing include the Fair Housing Logo. Posters are displayed in the Grants Administration Office and City Hall. Fair housing counseling is available and brochures on fair housing are available in the Grants Administration Office.

Additionally, from the Virginia Department of Minority Business Enterprise web site, a list of minority and women-owned businesses is available to sub-recipients and contractors for their use in soliciting participation.

LNDF, Lyn-CAG, Rush Homes, and Greater Lynchburg Habitat for Humanity follow a Marketing and Advertising Policy, established by each agency, for the housing programs that they administer.

c. Describe outreach to minority and women owned businesses.

Programs and projects conducted or assisted by the City are expected to make a good faith effort to engage minority- and women-owned business enterprises when procuring construction-related and other services. To enhance the capacity to do so, the City has made efforts to update its listings of such vendors.

Where federal grants or monies are involved, it is the policy of the City through its agents and employees to comply with the requirements set forth - Standards Governing State and Local Grantee Procurement - of the U.S. Office of Management and Budget Circular N. A-102, Uniform Administrative Requirements for Grants-in-Aid to State and Local Governments, as they pertain to small and minority business utilization.

LNDF, Lyn-CAG, Rush Homes, and Greater Lynchburg Habitat for Humanity employ a procurement policy that encourages the use of local minority contractors.

5. **Recapture Provisions**

In accordance with HOME program regulations at 24 CFR Part 92, properties assisted must remain affordable during the affordability period. Under recapture provisions, this period is based on the direct HOME subsidy to the homebuyer and includes down payment assistance, "gap" financing, and interest rate buy-downs, as available.

The HOME affordability periods are as follows:

HOME Investment Per Unit	Length of the Affordability Period
Less than $15, 000 subsidy	5 years
$15, 000 - $40,000 subsidy	10 years
More than $40,000 subsidy	15 years
New construction of rental housing	20 years

HOME-assisted units are subject to affordability for the entirety of the affordability period. These HOME-assisted units are subject to a recapture provision in order to assure that the units either remain affordable (i.e. housing eligible clients) or that the City recovers its investment based on the terms of the agreement. Funds are recaptured only from the net proceeds of the sale or foreclosure. Please see specific HOME Program details for recapture provision specifics.

HOMELESS

Homeless Needs

Program Year 1 CAPER Homeless Needs response:

1. Identify actions taken to address the needs of homeless persons.

The Housing and Homeless Coalition of Central Virginia (HHC-CVA) is a regional organization comprised of agencies that serves as the lead entity for Supportive Housing Programs. The HHC-CVA currently has more than thirty-five (35) listed member organizations, agencies, individuals, programs and businesses. The City is a member of the HHC-CVA.

Through the participation of its members of the HHC-CVA the Coalition can more effectively address the needs of homeless individuals and families, including the following: homelessness prevention; outreach/assessment (i.e. case management); emergency services; transitional housing; and permanent supportive housing

The specific priority needs outlined in the Continuum of Care (CoC) strategy place high priority on the creation of new permanent housing beds for the chronically homeless, job training, and employment programs, and the journey from transitional to permanent housing for both families and individuals. The CoC's homeless activities during the five-year period of this Consolidated Plan will also coordinate homeless prevention services to those at risk of becoming homeless.

Most homelessness initiatives in the City are coordinated through HHC-CVA, a recipient of funding through the Stewart B. McKinney programs (Supportive Housing Program, Shelter Plus Care, etc.) Also participating in the HHC-CVA are the counties of Amherst, Appomattox, Bedford, and Campbell.

The City of Lynchburg utilized $72,468 of its annual allocation for the Shelter Plus Care Program to provide rental assistance to thirteen (13) homeless persons for permanent housing. One (1) client was able to move from the Shelter Plus Care program and purchase a home through the Neighborhood Stabilization Program administrated by Lynchburg Neighborhood Development Foundation.

In addition, the following agencies received and expended $375,610 McKenny Vento Homeless Act funds through the Supportive Housing Program.

Applicant	Project	Amount
Lynchburg Community Action Group	The Family Living Center	$ 44,665
Lynchburg Neighborhood Development Foundation	The Cornerstone	$ 64,748
Miriam's House	HMIS	$ 21,357
Miriam's House	Supportive Housing	$ 87,252
Rush Lifetime Homes, Inc	Rush Homes	$ 51,100
	Total:	**$ 375,610**

Lyn-CAG recently received $363,631 in funding through the Homelessness Prevention and Rapid Re-Housing Program (HPRP) under Title XII of the American Recovery and Reinvestment Act of 2009 ("Recovery Act"). Lyn-CAG has assisted ninety-four (94) clients through the use of these funds.

The primary objective of the HPRP is to prevent displacement of households who are potentially homeless, to assist homeless persons in securing permanent housing, to assist potentially homeless who may be in danger of becoming in arrears, and to ensure that the persons who receive assistance become self-sufficient. Several ways to measure these objectives include tabulating the number of clients who remain in their housing situation (rental) and successfully complete financial literacy training, home-ownership counseling and/or budgeting counseling. This project will serve the cities of Lynchburg and Bedford, and the counties of Amherst, Appomattox, Bedford, and Campbell.

The point-in-time survey conducted in January 2011 identified 178 homeless households for a total of 243 persons; of these twenty-three (23) were chronically homeless persons in the Central Virginia area. The HHC-CVA has designated the creation of new permanent housing beds for chronically homeless individuals as one of its strategic planning objectives.

The HHC-CVA provides a comprehensive response to the different needs of homeless individuals and families so that they can make the critical transition from the streets to independent living.

It is important that a balance of emergency, transitional, and permanent supportive housing be provided, along with homeless prevention, case management and other supportive services, so that the transition of homeless persons to self-sufficiency becomes permanent.

2. Identify actions taken to help homeless persons make the transition to permanent housing and independent living.

Miriam's House and Lyn-CAG's Family Living Center strive to work closely with the emergency assistance programs offered at Interfaith Outreach Association, Salvation Army, and Lyn-CAG. Those programs have the ability to pay security deposits and the first month's rent for individuals obtaining housing. Through this partnership, these agencies can assist residents moving out of transitional housing (TH) and into permanent housing (PH) or offer greater subsidy amounts. The Shelter/TL Directors Committee talked with local landlords of affordable housing to discuss ideas for transitioning individuals from transitional housing (TH) to permanent housing (PH). Ideas included things like waiving security deposits or paying deposits in installments. Lastly, the Steering Committee reviews quarterly analysis of APR data from HMIS to determine which programs are having low transition rates to PH and the reasons for this. This will help determine new goals to increase the %age.

Miriam's House, a transitional housing program for women and children, has rearranged its rooms to allow for acceptance of larger families.

Rush Lifetime Homes, Inc., one of the City's two (2) CHDOs has a mission "to provide the opportunity for permanent, affordable homes to adults with low-incomes and significant mental and physical disabilities in Central Virginia." To that end, it has two (2) programs for independent living: Home of Your Own Program and Supportive Housing Program (SHP). The SHP is for persons with disabilities who are homeless; a few included services are case management, money management, property maintenance assistance, health care needs assistance, and transportation. Rush Homes' recent activities are in Lynchburg and nearby Madison Heights, within Amherst County. In Madison Heights, Rush Homes has renovated one three-bedroom home and a quadplex to create five (5) new units in "Mays Street Housing." Rush Homes receives HOME Program and SHP grant money, and is also funded through the Virginia Housing Development Authority (VHDA), Federal Home Loan Bank of Atlanta, private foundations and fundraising.

Cornerstone is a project that is owned and managed by LNDF. HOME Program funds, Shelter Plus Care grant funds, Federal Home Loan Bank of Atlanta's Affordable Housing Program, and McKinney-Vento assistance are part of this project. It is one of the first independent living arrangements for homeless persons, and receives applicants on a referral basis.

A Veterans Affairs Outpatient Clinic is able to meet the needs of homeless veterans in the area.

3. Identify new Federal resources obtained from Homeless SuperNOFA.

The Continuum of Care (CoC) is in a Hold Harmless Renewal status. New money is being channeled through McKinney-Vento Homeless Assistance.

Specific Homeless Prevention Elements

1. Identify actions taken to prevent homelessness.

Program Year 1 CAPER Specific Housing Prevention Elements response:

Lyn-CAG operates the Housing Improvement Program and Substantial Rehabilitation Program, respectively funded by CDBG and HOME. The Housing Improvement Program is intended for minor repairs of houses to keep them livable; the substantial rehabilitation program assists structures which are greatly deteriorated or which have lead based paint issues.

When children are old enough to leave foster care, the Lynchburg Department of Social Services and other local CoC agencies observe the Virginia Department of Social Services mandate to move young people to permanent housing. Discharge planning includes assisting youth in securing employment and housing.

Centra Health social workers coordinate with CoC agencies to ensure safe and adequate placement of homeless, discharged patients. Mental health patients discharged through Community Services Boards and in conjunction with the State hospital system must have placement upon discharge; in rare cases, they are discharged into a McKinney-Vento funded Program.

The Virginia Department of Corrections mandates that juveniles only be discharged to authorized persons. Adults may only be discharged to a verifiable address. They are required to work with the Community Release Unit and the local probation officer for discharge. Local CoC agencies observe Commonwealth protocol.

2. Identify actions taken to help homeless persons make the transition to permanent housing and independent living

The ultimate objective of homeless assistance is to achieve the outcome of helping homeless families and individuals obtain permanent housing and self-sufficiency. In the next 12-months, the CoC will take steps to increase the %age of homeless persons moving from transitional housing to permanent housing by: (1) developing a centralized referral system to all mainstream resources; and (2) by expanding aftercare and recovery services to all Transitional Housing programs.

In the long-term plan the CoC will work with local governments and other policy making entities to advocate for increases in assistance for rental subsidies and the availability of support services to increase the number of individuals who can successfully transition to permanent housing.

Emergency Shelter Grants (ESG)

Program Year 1 CAPER ESG response:

Not applicable to the City of Lynchburg.

1. **Identify actions to address emergency shelter and transitional housing needs of homeless individuals and families (including significant subpopulations such as those living on the streets).**

2. **Assessment of Relationship of ESG Funds to Goals and Objectives**
   a. **Evaluate progress made in using ESG funds to address homeless and homeless prevention needs, goals, and specific objectives established in the Consolidated Plan.**
   b. **Detail how ESG projects are related to implementation of comprehensive homeless planning strategy, including the number and types of individuals and persons in households served with ESG funds.**
3. **Matching Resources**
   a. **Provide specific sources and amounts of new funding used to meet match as required by 42 USC 11375(a)(1), including cash resources, grants, and staff salaries, as well as in-kind contributions such as the value of a building or lease, donated materials, or volunteer time.**
4. **State Method of Distribution**
   a. **States must describe their method of distribution and how it rated and selected its local government agencies and private non-profit organizations acting as sub-recipients.**
5. **Activity and Beneficiary Data**
   a. **Completion of attached Emergency Shelter Grant Program Performance Chart or other reports showing ESGP expenditures by type of activity. Also describe any problems in collecting, reporting, and evaluating the reliability of this information.**
   b. **Homeless Discharge Coordination**
      i. **As part of the government developing and implementing a homeless discharge coordination policy, ESG homeless prevention funds may be used to assist very-low-income individuals and families at risk of becoming homeless after being released from publicly funded institutions such as health care facilities, foster care or other youth facilities, or corrections institutions or programs.**
   c. **Explain how your government is instituting a homeless discharge coordination policy, and how ESG homeless prevention funds are being used in this effort.**

Community Development

Program Year 1 CAPER Community Development response:

1. **Assessment of Relationship of CDBG Funds to Goals and Objectives**
   a. **Assess use of CDBG funds in relation to the priorities, needs, goals, and specific objectives in the Consolidated Plan, particularly the highest priority activities.**
   b. **Evaluate progress made toward meeting goals for providing affordable housing using CDBG funds, including the number and types of households served.**
   c. **Indicate the extent to which CDBG funds were used for activities that benefited extremely low-income, low-income, and moderate-income persons.**

COMMUNITY DEVELOPMENT

1. a, b, & c. ASSESSMENT OF CDBG FUNDS TO PRIORITIES, GOALS AND OBJECTIVES IDENTIFIED IN THE 2010-2015 CONSOLIDATED PLAN

The summary below depicts the City's progress in meeting its stated annual goals in relation to the five-year Consolidated Pan.

Housing Ownership, Rehabilitation and Rental

PROGRAM	FIVE-YEAR GOALS					ANNUAL ACTUAL ACCOMPLISHMENTS				
	2010- (FY11)	2011 (FY12)	2012 (FY13)	2013 (FY14)	2014 (FY15	2010 (FY11)	2011 (FY12)	2012 (FY13)	2013 (FY14)	2014 (FY15)
Homeownership-Owner-occupied (CHDO)	1	2	1	1	1	1				
Homeownership-Homebuyer	10	10	10	10	10	15				
Homeownership-Retention/ Housing Rehabilitation	5	5	5	5	30	48				
Rental Units	0	24	24	0	0	0*				

*Rush Lifetime Homes has completed the construction of the 24 rental housing units and occupancy will occur during the period of October-December 2011.

The City's goal in the Consolidated Plan is to make every housing unit safe, decent, and affordable. Assistance programs also extend to eligible rental activities. Another goal and important aspect of improving and sustaining community livability and services is to build on the existing assets within the various neighborhoods by investing in existing housing stock through revitalization and rehabilitation efforts. Also, creating opportunities to make home ownership available to qualified individuals and providing assistance to help homeowners keep their homes helps to strengthen neighborhoods.

A total of $243,502 in HOME funds was expended for homeownership projects this program year by providing down payment assistance to fifteen (15) households. These funds were expended by LNDF and Greater Lynchburg Habitat for Humanity. Additionally, there was $223,660 in private funding used for the construction of four (4) new housing units by Greater Lynchburg Habitat for Humanity.

Of the forty-eight (48) housing units that were rehabilitated, there was $387,590 in CDBG, CDBG-R and HOME funds expended for these properties. These funds were expended by Lyn-CAG, LNDF and Rebuilding Together Lynchburg. These rehabilitation efforts in our CDBG-targeted neighborhoods helped to increase the property values in these areas as well as improve the overall aesthetics of the neighborhoods.

In addition to the CDBG and HOME expended for housing rehabilitation, Lyn-CAG received from other financial sources a total of $62,397 and completed ninety-nine (99) housing units by assisting homeowners with weatherization and/or emergency repair projects. These funds were received from the Department of Energy Weatherization Assistance Program (WAP).

Rebuilding Together received funds in the amount of $67,325 from other non-profits, foundations, corporations and individuals that enabled them to assist other low and very low-income individuals within the CDBG targeted areas and the City of Lynchburg.

Support of Neighborhoods

PROGRAM	FIVE-YEAR GOALS					ANNUAL ACTUAL ACCOMPLISHMENTS				
	2010 (FY11)	2011 (FY12)	2012 (FY13)	2013 (FY14)	2014 (FY15)	2010 (FY11)	2011 (FY12)	2012 (FY13)	2013 (FY14)	2014 (FY15)
Neighborhood/ Community Meetings	5	5	5	5	5	96**				
Infrastructure Improvements	1	1	1	1	1	1				

**Includes monthly neighborhood meetings in Tinbrdige Hill, Federal Hill, Fairview Heights, Dearington, Birchwood, Garland Hill, Dearing Street, and Diamond Hill.

Neighborhoods are an important foundation for improving and sustaining community livability and services. Strong neighborhoods help to create more active and informed citizens which in turn result in a stronger community. Within neighborhoods there are shared identities, issues, concerns, and interests. Each neighborhood has its own unique priorities and character. The neighborhoods within Lynchburg's Historic Districts may be working to preserve the historical aesthetics of the neighborhood. Some neighborhoods have traffic problems while others are dealing with beautification, crime, youth, socioeconomic, and/or family concerns. There are a variety of neighborhood issues, each neighborhood needs an avenue to deal with their own needs so that the community continues to be strengthened and protected.

During this reporting period, The Code Enforcement Task Force and other neighborhood groups met and conducted four (4) "walk-throughs" in CDBG targeted areas to review housing and Code-related issues. These "walk-throughs" occurred in the Federal Hill, Seminary Hill, Tinbridge Hill, and Diamond Hill neighborhoods.

During this reporting period, the neighborhood associations met monthly and discussed their accomplishments and concerns related to issues within the neighborhood (i.e. crime, safety, aesthetics). City staffs from different departments attended these meetings and assisted the residents in resolving their concerns. A total of ninety-six (96) neighborhood meetings were held in Tinbrdige Hill, Federal Hill, Fairview Heights, Dearington, Birchwood, Garland Hill, Dearing Street, and Diamond Hill.

Phase I of the Fifth Street Infrastructure project has been completed. The City expended a total of $1.75 million in Capital Improvement Project (CIP) funds (primarily water, sewer and utility funds) $122,949 in CDBG funds. During this reporting period, $44,266 in Community Development Block Grant American Recovery and Reinvestment Act (CDBG-R) funds were expended on this project for aesthetic improvements. The Fifth Street Corridor is one of the major accesses to Downtown Lynchburg. It encompasses at least three (3) of the seven (7) “Hills” (College Hill, Garland Hill and Tinbridge Hill), all of which are within the CDBG-targeted census tracts.

Economic Development Efforts

PROGRAM	FIVE-YEAR GOALS					ANNUAL ACTUAL ACCOMPLISHMENTS				
	2010 (FY11)	2011 (FY12	2012 (FY13	2013 (FY14	2014 (FY15	2010 (FY11	2011 (FY12	2012 (FY13	2013 (FY14)	2014 (FY15)
Enterprise Zone	2	2	2	2	2	2				
Downtown Redevelopment Improvements	1	1	1	1	1	1				

The City’s goal is to encourage more commercial and industrial development in order to provide more jobs in the inner city.

The City has two Enterprise Zones: Enterprise Zone Number 2 - Downtown and Enterprise Zone Number 46 – Lynchpin. All of the downtown redevelopment and commercial and industrial development will increase the number of jobs and wages for low-to-moderate-income persons, decrease vacant and/or dilapidated non-revenue producing properties, increase business sales volume in the revitalized neighborhoods and increase small business loans in targeted neighborhoods.

During Program year 2010 major renovations within the Downtown and surrounding area of the Enterprise Zone 2 totaled $5.6 million and included: Genworth building renovations; Lynchburg College new Doctor of Physical Therapy building; River Ridge Mall renovations; 908, 910 and 912 Main Street mixed use space (commercial and residential), eighteen (18) living spaces; mixed use project on Washington Street, fifteen (15) loft apartments; and the relocation of a new company, L&R Precision Machinery.

In Enterprise Zone 46 there was a total of $15.1 million expended and included: major renovations at J. Crew, which added 177 jobs; Babcock and Wilcox (B&W) renovated leased space in Lynchpin Industrial Park; Harris Corporation in Lynchpin installed a new communication tower; and the City opened a new Park, Ivy Creek, on land donated by the Economic Development Administration (EDA).

Public downtown and Riverfront redevelopment/infrastructure projects totaling $15.7 million that have been completed or are underway include: D Street Bridge Replacement (Completed); Rivermont Bridge Renovations; Lower Bluff Walk-Phase I; Jefferson Street South; Kanawa Canal Bridge Improvements; Blackwater Trail Relocation and Parking Improvements; and Lower Bluff Walk – Phase II and III. Funds in the amount of $7.2 million were expended on these projects during this program year.

Public Service Providers for At-risk Youth, Adults and Families

PROGRAM	FIVE-YEAR GOALS					ANNUAL ACTUAL ACCOMPLISHMENTS				
	2010 (FY11)	2011 (FY12)	2012 (FY13	2013 (FY14)	2014 (FY15)	2010 (FY11	2011 (FY12)	2012 (FY13)	2013 (FY14)	2014 (FY15)
Housing for Homeless	2	2	2	2	2	2				
Public Service Providers (Youth Activities-Recreation and Education, Senior Program, Domestic Violence)	2	2	2	2	2	4				

The City continues to support public service providers in order to meet the needs of the low-to-moderate income persons, individuals with disabilities, substance abuse or addiction, persons with AIDS, persons that are homeless, and elderly persons. In addition to the services provided by the City's Department of Social Services and Juvenile Services, there are many nonprofit organizations that coordinate with the City to provide the services needed.

The City provided Program Year 2010 CDBG funds in the amount of $39,951 for four (4) community non-profit organizations to provide various public service activities to the low-to-moderate-income citizens within the City. Additionally, two (2) agencies (Miriam's House and The Gateway House, Inc.) received Program Year 2010 CDBG funds in the amount of $45,000 to provide services to the homeless. Both agencies expended all of the funds allocated to assist homeless individuals.

Residential Rental Property Inspections Program and Property Maintenance Inspections

PROGRAM		FIVE-YEAR GOALS				ANNUAL ACTUAL ACCOMPLISHMENTS				
	2010 (FY11)	2011 (FY12)	2012 (FY13)	2013 (FY14)	2014 (FY15)	2010 (FY11)	2011 (FY12)	2012 (FY13)	2013 (FY14)	2014 (FY15)
Rental Property Inspections	462	450	450	450	450	760				
Property Maintenance Inspections	2400	2300	2200	2100	2000	5,078				

The City continues to provide support for the Rental Inspection Program by reducing the number of rental properties that have ode violations and are health, safety, and public welfare concerns. While there were no HUD funds specifically expended on the Residential Rental Inspection Program, the City utilized General Operating funds to continue the enforcement of Property Maintenance Code violations in the rental housing stock in the CDBG-targeted neighborhoods.

The Property Maintenance Code inspections that were completed during this reporting period include: pre-court inspections, court ordered inspections, initial inspections and follow-up inspections. This Code enforcement effort provides a reduction in blighted properties and makes rental properties safer, more decent, and affordable for low-to-moderate-income persons.

Demolition and Code Enforcement

PROGRAM	FIVE-YEAR GOALS					ANNUAL ACTUAL ACCOMPLISHMENTS				
	2010 (FY11)	2011 (FY12)	2012 (FY13)	2013 (FY14)	2014 (FY15)	2010 (FY11)	2011 (FY12)	2012 (FY13)	2013 (FY14)	2014 (FY15)
Demolitions	2	2	2	2	2	3				
Weed Ordinance-Property Clearance	200	250	250	250	250	905***				
Removal of Abandoned Vehicles	60	85	100	125	135					

***The Track IT Data System maintains the data for weed ordinance/property clearance and abandoned vehicles in one database; therefore, this data is being reported as a combined accomplishment.

The City's goal is to continue to eliminate neighborhood deterioration, blight, and blighting influences through staged redevelopment of public infrastructure, rehabilitation activities, code enforcement, or clearance where needed.

The City expended $13,925 in local funds for the demolition of three (3) structures in the CDBG-targeted neighborhoods. The addresses and costs associated with these demolitions are listed below:

	Property Address	Demolition Cost
1.	1406 Elm Street	$ 2,475
2.	1216 Pierce Street	3,950
3.	1018 Buchanan Street	7,500
		$13,925

The demolition and Code enforcement efforts reduced the number of derelict properties and further enhanced the living environment within the targeted neighborhoods.

2. **Changes in Program Objectives**
   a. **Identify the nature of and the reasons for any changes in program objectives and how the jurisdiction would change its program as a result of its experiences.**

There were no changes in the City's program goals and objectives during the program year. Activities were consistent with the goals specified in the 2005-2010 Consolidated Plan.

3. **Assessment of Efforts in Carrying Out Planned Actions**
   a. **Indicate how grantee pursued all resources indicated in the Consolidated Plan.**

The City pursued all resources available to the grantee. During this reporting period, the City of Lynchburg used two (2) HUD programs, the CDBG and HOME programs. Funds received from a variety of federal, state and local sources significantly leveraged Consolidated Plan grants. The CAPER section on leveraging provides an overview of the additional funds and in-kind contributions received by the City during the program year.

   b. **Indicate how grantee provided certifications of consistency in a fair and impartial manner.**

The City of Lynchburg provided Certifications of Consistency with the Consolidated Plan to all agencies that met the test of consistency. Grant Administration staff reviews each project application and certify that the proposed activity is consistent with the City's Consolidated Plan. Certification requests are reviewed to determine that the project location is within the City's jurisdiction; that the project's scope of services is consistent with the City's Consolidated Plan priorities; and that the project's services are received primarily by City residents.

During the Program Year 2010, the City processed certifications in such areas as public housing, competitive homeless grant programs, transitional housing providers, and a federally-funded housing rehabilitation program.

   c. **Indicate how grantee did not hinder Consolidated Plan implementation by action or willful inaction.**

The City did not knowingly hinder Consolidated Plan implementation by action or willful inaction, and affirmatively pursued the goals, priorities and strategies outlined in the Consolidated Plan. The City adhered to all requirements and certifications contained within the grant agreement executed with HUD for the CDBG and HOME programs.

4. **For Funds Not Used for National Objectives**
   a. **Indicate how use of CDBG funds did not meet national objectives.**
   b. **Indicate how did not comply with overall benefit certification.**

CDBG and all federal funds were used only in connection with the three National Objectives set forth in the regulations governing the CDBG grant, and the City fully complied with the requirement to expend at least 70% of federal funds received to

benefit low-to-moderate-income persons over a three-year period. The City, as in years past, exceeded this requirement during this program year as detailed in the PR 26 (Financial Summary) report. The City fully complied with the overall benefit certification during the reporting period.

5. **Anti-displacement and Relocation – for activities that involve acquisition, rehabilitation or demolition of occupied real property**
    a. **Describe steps actually taken to minimize the amount of displacement resulting from the CDBG-assisted activities.**
    b. **Describe steps taken to identify households, businesses, farms or non-profit organizations who occupied properties subject to the Uniform Relocation Act or Section 104(d) of the Housing and Community Development Act of 1974, as amended, and whether or not they were displaced, and the nature of their needs and preferences.**
    c. **Describe steps taken to ensure the timely issuance of information notices to displaced households, businesses, farms, or non-profit organizations.**

The City has adopted and follows an Anti-Displacement and Relocation Policy as part of the Citizen Participation Plan. It is the policy of the City of Lynchburg to minimize the displacement of families and individuals from their homes and neighborhoods as a result of activities assisted with funds provided under the HOME and CDBG programs.

There were no temporary or permanent displacements that occurred during the reporting period.

6. **Low/Mod Job Activities – for economic development activities undertaken where jobs were made available but not taken by low- or moderate-income persons**
    a. **Describe actions taken by grantee and businesses to ensure first consideration was or will be given to low/mod persons.**
    b. **List by job title of all the permanent jobs created/retained and those that were made available to low/mod persons.**
    c. **If any of jobs claimed as being available to low/mod persons require special skill, work experience, or education, provide a description of steps being taken or that will be taken to provide such skills, experience, or education.**

There were no economic development projects funded in this program period.

To ensure consideration will be given to low-mod persons, a statement is included in the contractual agreement for any agency or business using federal funds in their project. Monitoring is done to ensure compliance with this obligation.

7. **Low/Mod Limited Clientele Activities – for activities not falling within one of the categories of presumed limited clientele low- and moderate-income benefit**
    a. **Describe how the nature, location, or other information demonstrates the activities benefit a limited clientele at least 51% of whom are low- and moderate-income.**

The City engaged in six (6) activities that benefited a limited clientele where at least 51% of whom are low-and moderate-income. Of these activities, many serve clientele that fall within the presumed low- and moderate-income categories that HUD defines as battered spouses, elderly persons, severely disabled, homeless, and/or illiterate.

8. Program income received

a. Detail the amount of program income reported that was returned to each individual revolving fund, e.g., housing rehabilitation, economic development, or other type of revolving fund.

N/A

b. Detail the amount repaid on each float-funded activity.

N/A

c. Detail all other loan repayments broken down by the categories of housing rehabilitation, economic development, or other.

N/A

d. Detail the amount of income received from the sale of property by parcel.

Lynchburg Redevelopment and Housing Authority disposed of the following properties:

Real Estate Disposed of between July 1, 2010 - June 30, 2011		
Property	**Sold/Conveyed to**	**Amount Received**
611-613 Washington St.	Susan E. M. Peverill, Mary L. Murray & Mark B. Wright	$ 2.00
50 Polk St.	Greater Lynchburg Habitat for Humanity, Inc.	$ -
52 & 54 Polk St.	Greater Lynchburg Habitat for Humanity, Inc.	$ -
119 I St.	Beatrice Callinder	$ 1.00
57 & 59 Jackson St.	Lynchburg Neighborhood Development Foundation, Inc.	$ -
702 & 708 Fifth St.	Lynchburg Neighborhood Development Foundation, Inc.	$ -

9. Prior period adjustments – where reimbursement was made this reporting period for expenditures (made in previous reporting periods) that have been disallowed, provide the following information:

a. The activity name and number as shown in IDIS;

N/A

b. The program year(s) in which the expenditure(s) for the disallowed activity(ies) was reported;
c. The amount returned to line-of-credit or program account; and
d. Total amount to be reimbursed and the time period over which the reimbursement is to be made, if the reimbursement is made with multi-year payments.

10. Loans and other receivables

a. List the principal balance for each float-funded activity outstanding as of the end of the reporting period and the date(s) by which the funds are expected to be received. N/A

b. List the total number of other loans outstanding and the principal balance owed as of the end of the reporting period.

One loan with outstanding principal of $2,300,000 (Bluffwalk). – Appendix H

c. List separately the total number of outstanding loans that are deferred or forgivable, the principal balance owed as of the end of the reporting period, and the terms of the deferral or forgiveness. N/A
d. Detail the total number and amount of loans made with CDBG funds that have gone into default and for which the balance was forgiven or written off during the reporting period. N/A

e. Provide a List of the parcels of property owned by the grantee or its sub-recipients that have been acquired or improved using CDBG funds and that are available for sale as of the end of the reporting period.

The Real Property Inventory is included as Appendix G in the CAPER report.

Lump sum agreements

f. Provide the name of the financial institution.
g. Provide the date the funds were deposited.
h. Provide the date the use of funds commenced.
i. Provide the %age of funds disbursed within 180 days of deposit in the institution.

N/A

Return of Funds:

The City of Lynchburg returned $2,550.00 for expenditures originally made to Lynchburg Community Action Group (Lyn-CAG) for architectural and engineering (A&E) fees for two projects. The projects did not proceed as planned. Lyn-CAG returned the funds to the City. The City returned the funds to HUD.

11. Housing Rehabilitation – for each type of rehabilitation program for which projects/units were reported as completed during the program year

a. Identify the type of program and number of projects/units completed for each program.
b. Provide the total CDBG funds involved in the program.
c. Detail other public and private funds involved in the project.

This information is included in Section 1 of this CAPER.

12. Neighborhood Revitalization Strategies – for grantees that have HUD-approved neighborhood revitalization strategies describe progress against benchmarks for the program year. For grantees with Federally-designated EZs or ECs that received HUD approval for a neighborhood revitalization strategy, reports that are required as part of the EZ/EC process shall suffice for purposes of reporting progress.

The City does not have an approved Neighborhood Revitalization Strategy.

Antipoverty Strategy

1. Describe actions taken during the last year to reduce the number of persons living below the poverty level.

Program Year 1 CAPER Anti-poverty Strategy response:

The City seeks to reduce the number of households with incomes below the poverty line this year by continuing with the long-term solutions such as education (including adult education and job skill training), economic development, and coordinated supportive services. These areas are traditionally within the local government's sphere of influence, and the Lynchburg City Council has placed significant emphasis and funding in these areas.

Non-homeless Special Needs

Program Year 1 CAPER Non-homeless Special Needs response:

1. **Identify actions taken to address special needs of persons that are not homeless but require supportive housing, (including persons with HIV/AIDS and their families).**

The facilities currently available for persons with supportive housing needs are limited to those offered by the ARC of Central Virginia, Central Virginia Community Services, Central Virginia Training Center, Rush Lifetime Homes, L'ARCHE Blue Ridge Mountains, Heart Haven, DePaul Family Services, Presbyterian Homes and Family Services, Lynchburg Covenant Fellowship (LCF), and selected housing facilities with units restricted for use by elderly or persons who are disabled. There are other for-profit companies that provide group homes, support services, and foster care for adults with mental retardation. Some of these include Laury Homes Residential Services, Lamano Agency, and Creative Family Solutions.

LCF manages 158 other units for low-income, disabled, and elderly households. LCF has helped Central Virginia Community Services develop 60 units for persons who have developmental disabilities in Lynchburg. Rush Lifetime Homes (RLH) currently owns twelve (12) homes that provide permanent housing for adults with significant mental and physical disabilities that prevent them from owning and maintaining their own home.

There are currently twelve (12) group homes in Lynchburg serving the elderly and frail elderly of the City and surrounding areas. These homes provide services ranging from minimal assisted living to full 24-hour medical care in a nursing home setting. The combined capacity of these homes is approximately 1,000 persons. There is supervised adult daycare available from the Adult Care Center of Central Virginia.

Specific HOPWA Objectives

Program Year 1 CAPER Specific HOPWA Objectives response:

The City of Lynchburg does not receive HOPWA funds.

1. **Overall Assessment of Relationship of HOPWA Funds to Goals and Objectives**
   Grantees should demonstrate through the CAPER and related IDIS reports the progress they are making at accomplishing identified goals and objectives with HOPWA funding. Grantees should demonstrate:
   a. **That progress is being made toward meeting the HOPWA goal for providing affordable housing using HOPWA funds and other resources for persons with HIV/AIDS and their families through a comprehensive community plan;**
   b. **That community-wide HIV/AIDS housing strategies are meeting HUD's national goal of increasing the availability of decent, safe, and affordable housing for low-income persons living with HIV/AIDS;**

c. That community partnerships between State and local governments and community-based non-profits are creating models and innovative strategies to serve the housing and related supportive service needs of persons living with HIV/AIDS and their families;
d. That through community-wide strategies Federal, State, local, and other resources are matched with HOPWA funding to create comprehensive housing strategies;
e. That community strategies produce and support actual units of housing for persons living with HIV/AIDS; and finally,
f. That community strategies identify and supply related supportive services in conjunction with housing to ensure the needs of persons living with HIV/AIDS and their families are met.

2. This should be accomplished by providing an executive summary (1-5 pages) that includes:
   a. Grantee Narrative
      i. Grantee and Community Overview
         (1) A brief description of your organization, the area of service, the name of each project sponsor and a broad overview of the range/type of housing activities and related services
         (2) How grant management oversight of project sponsor activities is conducted and how project sponsors are selected
         (3) A description of the local jurisdiction, its need, and the estimated number of persons living with HIV/AIDS
         (4) A brief description of the planning and public consultations involved in the use of HOPWA funds including reference to any appropriate planning document or advisory body
         (5) What other resources were used in conjunction with HOPWA funded activities, including cash resources and in-kind contributions, such as the value of services or materials provided by volunteers or by other individuals or organizations
         (6) Collaborative efforts with related programs including coordination and planning with clients, advocates, Ryan White CARE Act planning bodies, AIDS Drug Assistance Programs, homeless assistance programs, or other efforts that assist persons living with HIV/AIDS and their families.

      ii. Project Accomplishment Overview
         (1) A brief summary of all housing activities broken down by three types: emergency or short-term rent, mortgage or utility payments to prevent homelessness; rental assistance; facility based housing, including development cost, operating cost for those facilities and community residences
         (2) The number of units of housing which have been created through acquisition, rehabilitation, or new construction since 1993 with any HOPWA funds
         (3) A brief description of any unique supportive service or other service delivery models or efforts
         (4) Any other accomplishments recognized in your community due to the use of HOPWA funds, including any projects in developmental stages that are not operational.

iii. **Barriers or Trends Overview**
   (1) **Describe any barriers encountered, actions in response to barriers, and recommendations for program improvement**
   (2) **Trends you expect your community to face in meeting the needs of persons with HIV/AIDS, and**
   (3) **Any other information you feel may be important as you look at providing services to persons with HIV/AIDS in the next 5-10 years**

b. **Accomplishment Data**
   i. **Completion of CAPER Performance Chart 1 of Actual Performance in the provision of housing (Table II-1 to be submitted with CAPER).**
   ii. **Completion of CAPER Performance Chart 2 of Comparison to Planned Housing Actions (Table II-2 to be submitted with CAPER).**

OTHER NARRATIVE

Include any CAPER information that was not covered by narratives in any other section.

Program Year 1 CAPER Other Narrative response:

INTEGRATED DISBURSEMENT AND INFORMATION SYSTEM (IDIS) REPORTS

The Integrated Disbursement Information System (IDIS) is sponsored by the Office of Community Planning and Development (CPD) within the U. S. Department of Housing and Urban Development (HUD). The reporting system allows grantees who receive formula grant programs, Community Development Block Grant (CDBG) and HOME Program, to provide HUD with performance results related to their Consolidated Plan and Annual Action Plans. The required IDIS Reports will be submitted along with the CAPER narrative to HUD in the final document.

A draft copy of the IDIS reports and appendices are available in the Grants Administration Office for review.