

An adjourned meeting of the Board of Supervisors of Albemarle County, Virginia, was held on June 7, 2016, at 1:00 p.m., Room 241, Second Floor, County Office Building, McIntire Road, Charlottesville, Virginia. The meeting was adjourned from June 1, 2016.

PRESENT: Mr. Norman G. Dill, Ms. Ann Mallek, Ms. Diantha H. McKeel, Ms. Liz A. Palmer, Mr. Rick Randolph, and Mr. Brad L. Sheffield.

ABSENT: None.

OFFICERS PRESENT: County Executive, Thomas C. Foley, County Attorney, Greg Kamptner and Acting Clerk, Travis O. Morris.

Agenda Item No. 1. Call to Order. The meeting was called to order at 1:02 p.m., by the Chair, Ms. Palmer.

Ms. Palmer also introduced staff present and the presiding security officer, Officer David Huffman.

Agenda Item No. 2. **Work Session:** Strategic Priority Rankings.

Mr. Foley stated that the purpose of this meeting is to continue with the first steps of the priority-driven budget process, with the Board in May identifying what was most important to them, which was done in the context of the strategic plan, as well as adding some emerging issues, such as the aging population in the community. He said the harder work will come at this meeting with the ranking of those identified issues, which has not been done as much in the past, but is critical given resource constraints and the Board's goals. Mr. Foley stated that the Board had assigned tiers to individual items, and their priorities will form the basis for the next two years' fiscal plan to be discussed later in the fall, which could be considered a "two-year agenda" that reflects what the collective body feels is most important to focus on over the next few years. He said that after this meeting, staff will assess these priorities and look at timelines and resources to implement them, then bring the assessment back to the Board to consider practical realities and the need for adjustments. Mr. Foley noted that some of them will be driven by fiscal issues, and some of them would only involve analysis that needs to be done, and this meeting is the turning point at which the Board will give direction to priorities, with staff doing an assessment and coming back to them again for additional input that will lead to a balanced two-year fiscal plan.

Ms. Lee Catlin, Assistant County Executive, addressed the Board and stated that staff will continue the conversation on priority-driven budgeting, which is used to focus limited resources to meet the most important goals and results in prioritizing certain services over others. She stated that it is accomplished through focusing on the achievement of goals that they will identify in their strategic plan with the work they are doing now, and it provides the direction needed to allocate money and other resources to the more critical services that serve the Board's priorities while cutting back on less essential services. Ms. Catlin said the programs to be discussed are ranked on how they align with the priorities the Board will be identifying. She stated they will first discuss the aggregated results sheet and have the Board provide comments, then review the consensus tier ranking and how it ended up in terms of tiers based on the numbers and adjust priorities if they feel there needs to be changes. Ms. Catlin said they will also do some prioritization within tier one itself to see if there is consensus among the most important things in tier one, then discuss community engagement and next steps. She noted that this will be the first opportunity for Board direction, and they will not do anything that cannot be adjusted in the future, with staff continuing to iteratively work with the Board. Ms. Catlin referenced the summary of scores and individual categories, noting that some items had at least three Supervisors' giving a high ranking and others having an even split. She asked for the Board to provide feedback on the exercise itself.

Ms. Mallek commented that having the descriptions on the numbers 1, 2 and 3 for ranking helped generate thought, and she went back and forth until she could get it to balance.

Ms. Palmer stated that some of the items overlapped for her and there was some interpretation of the actual item. Ms. Catlin responded that staff did not really wordsmith these with the Board at their last meeting but will try to do a little bit of that today, so at this point it is more conceptual and some of the words are not as clear as they should be.

Mr. Dill stated that a slight change in emphasis might change things, and he would not view something like "continue to focus on improving the accessibility to County information" as a high priority, although he feels it is important to have good communications with the public.

Ms. Mallek said that at least three other Board members feel that way, based on the ratings shown.

Ms. Palmer noted that a few years ago, the Board was asking for more communication and that has been done, so staff seems to be asking again whether they have gone as far as they need to with this as a top priority. Ms. Catlin responded that they had talked about this before as a strategic objective, and staff felt they had somehow operationalized it with the video streaming and other measures that have been done, and so it is not viewed as a strategic imperative to take it to a huge new level.

Mr. Foley said this may be a good description of a tier three item, as it is still important to be

included, but is not a major item for which they need to make progress.

Mr. Dill stated he might classify some items as being important but not necessarily strategic goals, and feels it is still important to underscore their value.

Ms. Catlin said the Board will have an opportunity to do that during the program and service inventory, because that will break out community engagement, and they can indicate that items are important but not necessarily strategic in nature.

Mr. Foley said that even though staff might suggest that an item has become operationalized and was not necessarily strategic, they do not want to make it seem they are taking it off the table and deeming it unimportant, and the Board is saying that there is still a high value on it.

Ms. McKeel said that if it is embedded in their culture and is a part of operational, then continuous improvement is a part of that and staff will continuously bring it back to the Board as necessary.

Mr. Sheffield noted that there was Board agreement on the prioritization of establishing a direction and beginning a design for Circuit Court and General District Court operations, and developing strategies for revitalizing aging urban infrastructure.

Ms. Catlin stated the next step in the process will be for the Board to go from individual assignment of numbers to group endorsement of tiers, and to see if there is majority support for moving objectives into a different tier, or to assign tiers to the four objectives that ended up in a dead tie. She said that staff is trying to find a balance for this discussion that makes it not too rigid but also provides enough structure to yield the desired work product, and said that they want to make sure not to move everything into tier one. Ms. Catlin stated that tier one is the most critical priority area for assignment of resources, with tier two being the second level of priority, and tier three being the least. She mentioned that for objectives to end up in a tier, there has to be consensus with three or more Board members and staff used that as a starting point, with several items being outliers because there was no majority among Board assignments to tiers, with votes split 2-2-2.

Ms. Palmer stated that while five Board members put a high priority on “explore and develop strategies designed to revitalize aging urban areas, focusing on existing urban neighborhoods and redevelopment possibilities,” a lot of the lower-ranking items that were in the middle would actually help with that revitalization. She stated that she is not completely clear on how those items would be integrated.

Ms. McKeel commented that those objectives work in tandem.

Ms. Catlin explained that staff would like to hear the Board's thoughts on those things and when staff reviews this input, they will note the elements the Board has deemed important.

Ms. Palmer stated that, for example, the objective under critical infrastructure of “develop differentiated funding strategies for core versus enhanced, quality of life projects like parks, etc.” received four Board members' designation in tier two and fits neatly under “urban infrastructure and revitalization.”

Ms. Catlin said that staff can indicate a link between two different Board assignments to tiers, with the understanding that the highest priority, as it relates to strategies, will relate to the urban areas, with four Supervisors putting it in tier two for critical infrastructure, but five designating it in tier one for revitalizing urban areas.

Mr. Randolph commented that it will be an integrated strategy.

Ms. Palmer said that an obvious example would be greenways, as getting some of the parks around the urban ring opened would be a “2” for her as opposed to a “1,” with revitalization of the urban area being a “1.”

Ms. Mallek stated that one of the questions that may help is to clarify what they mean by “explore and develop strategies for revitalizing urban areas,” and whether they mean a housing center or something else, because in terms of quality of life, all of those things are linked, and the question is how to prioritize the objectives. She added that she supports linking the items.

Ms. Catlin said they will link that objective with the development area caveat to the strategy of revitalizing urban areas as a first tier item, but the objective related to parks will remain in the second tier.

Ms. Catlin read through the next set of tier two objectives: work with regional partners to determine alternatives to expand multi-modal transportation options; develop an approach to support small area planning to address neighborhood-level issues; address staff recruitment and retention challenges through implementation of salary compression recommendations; establish and begin implementation of a Board-approved work plan, including workforce development, for economic development; establish and begin implementation of priorities for natural resources program; differentiated compensation strategy for police and public safety; determine most critical deficiency challenges, police, traffic safety, officer backup, facing the community; determine which specific DSS programs have the best potential to most positively impact the most significant issues challenging the community; and establish strategic direction to address challenge of intensification of uses in the rural area. She said that all of these things are important, but if they are defining tier one as “most urgent” and

the first place in which to allocate resources, the Board can make a case for why any of these should be considered to be moved to tier one.

Ms. Mallek stated that they do not need to spend a lot of time prioritizing items such as the DSS programs, as they should rely on the experts within departments to do that, and noted that she had already spoken with Ms. Phyllis Savides, Director of the Department of Social Services, about whether she had staff priorities already in mind, and she indicated that she did. Ms. Mallek said that the separate classification for the police department would require someone's effort.

Ms. McKeel stated that it would solve the compression issue for the police department, but there are compression issues in other departments, and agrees with Ms. Mallek that those things could be done outside of this planning effort.

Mr. Randolph said this is not as complicated and involved as the item related to urban revitalization.

Ms. McKeel noted that there are already models from other communities to address compression in areas such as compensation for police.

Ms. Mallek stated that the decision would be to have the Human Resources Department do that.

Mr. Foley said if it is a really important issue for the Board, the question is whether it is moved up to tier one so that it gets more focus.

Ms. Catlin noted that the resources for that will be diverted from something else.

Ms. Mallek stated that there are no dollar values assigned, so they are doing it in a vacuum, and she needs to know the cost before deciding where it falls in order of priorities.

Ms. Catlin asked if the Board feels this is related to just the police compensation model, or if they want to look at the compression issue countywide.

Ms. Mallek responded that she wants to look at the police compression first because that is where they are having the hiring problem, and then move from there to the whole department, which is a \$5 million cost.

Ms. McKeel noted that addressing compression across the board would resolve the police issue going forward, with the sector that is typically affected most by compression.

Mr. Randolph stated that this should be overlaid on the school division as well, as the compression issue may also affect the ability to retain administrators.

Ms. Mallek said she does not think they have as much of a problem with that.

Ms. Catlin asked if the Board would rather tie public safety to compression as a broader issue. Ms. Mallek responded that it is the police department and not all of public safety, as the County had addressed this for fire/rescue a few years ago.

Ms. Catlin clarified that focus on police is in the immediate or urgent category, at least in terms of finding out what the implications would be. Ms. Mallek said that she wants to make sure to avoid a situation in which they avoid doing something because they feel it will cost a lot, when in reality it would not.

Mr. Randolph stated that knowing the dollars helps them reorder the priorities as they think they can tackle them, based on the budget.

Mr. Foley said the next step will be for staff to assess resources and come back to them, with the Board deciding whether they can do these in the short term or not.

Ms. Palmer said she would like to talk about the rural areas item related to establishing a strategic direction to address challenges of intensification of uses of the rural areas, which may include small area plans in a specifically designated area. She stated that the Board had discussed addressing the winery issue, which they are dealing with now, and there seems to be Board agreement that they should be looking at that. Ms. Palmer commented that she thinks they will be seeing a lot of matters related to that issue, and the winery situation is a high priority but she wants to understand the full scope of the topic.

Ms. Mallek stated that she assumed it meant small area plans for the country crossroads, which has been in the Comp Plan for a number of years but they had just not gotten to it yet, addressed through planning so they are not always reacting.

Ms. Catlin clarified that if an item remains in tier two or does not move to tier one, it does not mean that things in process stops or existing work aligned with the Community Development work plan would stop, it just means that the most urgent things that require resources would not be going above and beyond what was already in motion for the rural areas.

Ms. Palmer said that if this is the small area plans for the crossroads, she feels the objective is fine where it currently is, but she looks at this as intensification of use in the rural areas including weddings, wineries and breweries, so she wants to make sure it is still a high priority.

Ms. McKeel stated that she would want to make sure they continue that, especially given the effort that has already gone into it.

Ms. Catlin clarified the work with the wineries and breweries will not be impacted by this.

Ms. Palmer asked if they are only referring then to the crossroads communities as currently placed in tier two. Mr. Kamptner said that it will involve identifying the crossroads communities.

Ms. Mallek said that it will also refer to historic districts. Ms. Catlin said it would pertain to work that has been identified as longer range in the Comp Plan, that is not already underway in the Community Development work plan.

Ms. Catlin pointed out the items linked within the tiers and asked if any Board member wants to move items, or has identified additional items to add.

Ms. Mallek stated the small area plan item in tier two will be dealt with in tier one of another item, it is just expressed in a different way.

Mr. Randolph noted that they are interrelated.

Mr. Sheffield commented that there are two approaches to the urban areas: one is revitalization and redevelopment, and one is enhancement. He said that when they talk about beautification of entrance corridors, that is enhancement; when they talk about small small area planning, that is enhancement; when they talk about revitalization that is the gray infrastructure issue. Mr. Sheffield stated that when he thinks about this, it is in terms of what they have to fix in the urban area to move forward, and then when they move forward, what those priorities are. He said it is hard to build pedestrian bridges when there are not complete pedestrian sidewalks connecting to it, so a pedestrian bridge is an enhancement, but making sure the sidewalks exist falls under improving the aging urban areas. Mr. Sheffield stated that the small small area planning relates to enhancing those corridors, like the two-lane Rio Road or improvements to Georgetown Road, versus revitalizing or redevelopment.

Ms. McKeel stated that in her opinion, they have to do the basics first.

Mr. Foley said that maybe it should be defined more clearly based on this input.

Mr. Sheffield said that when thinking about limited staff resources, there are things that fall under the revitalization/redevelopment that are priorities, such as using urban service districts, developing differentiated funding sources, accelerating the revitalization/redevelopment of Rio/29, etc. He stated that finding funding for these things is one of the first strategies they have to tackle, and addressing things like gray infrastructure help them understand why they are seeking that funding, with enhancements being things such as multi-modalism and small small area plans.

Ms. Catlin stated that it sounds as though Mr. Sheffield is suggesting that rather than parsing these out, there are items that cluster together in revitalization and redevelopment, and a group of items that go above and beyond as enhancements that should also be clustered together.

Mr. Sheffield reviewed his list of items that work as a tier one group, and said that he would like to bring them together as one priority, but some of the enhancement items could be separate.

Mr. Foley stated that when staff looks at this, they will be able to assess what items need to get done in the first year in order to move to the next step, and they will be able to bring that back to the Board.

Mr. Sheffield said that consolidating some of the items into tier one will free up capacity for other priority objectives. Ms. McKeel responded that they need to be a little bit careful in doing that.

Ms. Palmer stated that they may end up putting all of the money into one thing, but they will look at that again when the costs for items are brought forth.

Mr. Foley said that revitalization would be a broad item, with four items under it, but not all of those will be tier one, nor would the timing be the same, and staff will work on this further.

Ms. Mallek commented that they will end up with an orchestrated schedule that has a way to approach it, in smaller sections that they can either find outside funding for or do themselves.

Mr. Dill stated that in looking at the tier two items, such as DSS, low-income housing, and the preschool initiative, seems to be related, and he feels that low-income residents are a priority so if they have to choose one item to prioritize it would be DSS.

Ms. McKeel said that she feels they should be looking at DSS programs that provide the biggest return on investment and where they should be focusing their attention.

Mr. Dill stated that the highest priority would be to figure out which programs work, and in his opinion they probably get a lot more return from counselors working with families, versus funding low-income housing, so the priority should be to do more of what works well.

Ms. McKeel said they may want to focus more on funding the foster care program, as it affects many other areas such as the homeless population, jails, courts, etc.

Ms. Catlin noted that three Board members feel the DSS program item is a tier two, and asked if there are four or more of them who feel it should be tier one.

Mr. Foley stated that the Board will be reassigning these as part of this process, and while all of the items are important, some of the items in tier one, such as the courts project and urbanization issues have lots of energy and focus around them, but it does not mean that tier two items will not get done, although the Board will have to make some tough choices as to how that plays out.

Ms. Mallek noted that staff will be carrying this out and there has not just been money dumped into DSS for them to spend, there has been constant analysis of everything that is done, and the Director there could come and present on each program. She stated that the County does not have low-income housing blocks as other communities do, and the item in tier two relates to making housing opportunities available for all ages as part of revitalizing older neighborhoods, in addition to making good use of existing structures to benefit more people.

Ms. McKeel stated that it would be valuable for the Board to determine where the biggest return is with DSS programs, prior to more staffing being added there.

Mr. Dill said the way this is structured, he can say that any one of those DSS items will end up in tier one, and it is strategically important for the Board to try to establish what they want to do with limited resources.

Ms. Mallek stated that DSS should really be in tier one, as they have been down by 20 or more staff for many years, with the Board never being able to respond except for a few additions here and there, and that department's "wish list" for staffing has been very carefully laid out.

Mr. Dill said they are not talking yet about how much they are going to spend, but it is a high priority for him to do something in this area.

Ms. Catlin stated that it sounds as though the Board is saying that they need to be able to have a good understanding of where resources are being allocated and used at DSS and what kind of program results and success are seen before assigning additional funding to it.

Ms. Mallek said that this is the opposite of what she was saying, and she does not want to study something as a way to divert attention from it.

Mr. Randolph stated that Ms. Savides, had provided the Board with a good report that included all of that longitudinal data.

Ms. McKeel stated that was not what she was saying either.

Ms. Catlin asked her to clarify what she is saying. Ms. McKeel responded that there should be something for DSS in tier one, and she wants to be careful that they are focusing strategically on what will make the biggest impact.

Ms. Palmer said that a lot of people who live in the run-down urban areas are recipients of these services, so perhaps that can be reflected in this objective.

Ms. Mallek stated that there was a point in one of the emails sent to the Board that having a safe place to live makes a difference in a hundred other categories, so many of these things are linked.

Mr. Randolph said they have made a commitment to working with their counterparts in the City, but in all four categories where there was an MOU with a City, there were at least two Board members who put those items as tier three. He asked if a tier one item should be "closer collaboration with the City of Charlottesville," and if so, they should look at a way to move some of the tier three items into tier two, because there is not a strong backing from the Board for the MOUs as strategic priorities. Mr. Randolph said he feels that one of their goals as a priority should be looking at ways to have closer collaboration and try to have a coordinated approach that will hopefully lead to greater efficiencies from a financial standpoint from both the County and the City, and better service delivery from both.

Mr. Foley stated that something that goes to a three does not mean that item is no longer important, but there will have to be choices and attention along the way, and some of these things will need to move forward immediately because there is a joint meeting in September. He said this does not mean that working with the City is not important, but the Board had a discussion with them about specific issues rather than looking at all the issues together and figuring out what was most important.

Ms. McKeel commented that she cannot solve some of the issues in her district without collaboration with the City because of where their borders meet, and enhancing infrastructure in the urban areas can be better accomplished if they can work together.

Ms. Mallek stated that the MOUs came forth as a *fait accompli* before the Board regarding the effort to collaborate when they do things in the identified categories, they are not saying that these things are more important than all the other issues the County has to address. She emphasized that there is a separate set of County decision-making processes that always have to happen, and the Rivanna River Basin Commission and Thomas Jefferson Planning District Commission, are already coordinating the efforts related to the river and transportation, respectively. Ms. Mallek said that those issues are very important to her, but she is not going to take money away from gray infrastructure to do those things, and the courts are going to happen. She stated that the County is trying to think of the jurisdiction and she hopes their desire to collaborate is reciprocal in terms of responses to decisions, but she has not yet seen evidence that it has actually improved and regardless she does not want to see the MOU items be what drives the Board's tiers in this process.

Mr. Sheffield recalled that at the last work session, they had talked about a separate category for the MOUs.

Ms. Catlin stated that they had talked about that and had also talked about linking to existing priorities so they could bridge them. She stated that they had also discussed a preface to the strategic plan that talked about the importance of regional collaboration wherever possible, and certainly within the MOU areas.

Mr. Sheffield suggested that they develop a matrix or cross-relational chart that shows how the MOUs are connected to the strategic plan, and not make the MOUs strategic priorities, and if they do not have strategies in the plan that are addressing the MOUs, that is an issue because then they are not recognizing the MOUs.

Ms. McKeel commented that she considers them tools rather than drivers.

Mr. Sheffield said that he considers the tier one items as "sprints" and tier three as "marathons," with items such as proactive rezoning being a shorter game than something like the Rivanna River plan.

Mr. Foley noted that they are working towards a two-year fiscal plan, so it may be that tier threes do not get in the first two years but it does not mean they are not going to work on them. He stated that the MOUs that are related to things already in the Board's plans as priorities have to pass two tests, the pre-K issue is a tier one item that is already important before meeting with the City, but the County is already working with the City on those services. Mr. Foley said that he does not think they have to be so absolute about this, because some of these things existed in the Board's previous plans.

Ms. Mallek stated that DSS personnel already works with the City with the children who travel back and forth between the City and County during the school year, and the school department does that as well, with these efforts having been underway for many years.

Ms. Catlin clarified the Board's direction that the MOUs would not be embedded in strategies and will instead have a demonstrated cross-relationship, functioning as a tool rather than a strategy being weighed against the importance of other strategies.

Ms. McKeel commented that she agrees with Mr. Sheffield's assessment that ultimately there needs to be some way to connect these.

Ms. Catlin stated that the tier three items are not unimportant, but they are longer-term objectives, and asked if any of these should be moved to tier one or two.

Mr. Randolph said that regardless of what they establish for affordable broadband access to rural communities, that effort is already well underway.

Ms. Mallek stated that she views it as a very long-term effort, and one that will involve numerous partners as opposed to the County building it, so she feels that item is in the right place.

Mr. Foley said there is a lot of work going on to assess what needs to be done, with the County having received a grant for this effort, and there are localities investing tax dollars to implement the infrastructure to extend that coverage to rural areas. He emphasized that there is still a decision for the Board to make regarding whether they are comfortable putting public dollars into this or relying on the private sector to expand where the County will be on the spectrum.

Ms. Mallek stated that this is on the list of projects, but until they have a correct map, they will have nothing on which to stake a decision, either from outside dollars or County investment, and there have been neighborhoods that have banded together to make existing companies step up, which has been successful and should be continued.

Ms. Catlin said the question is whether there is a majority of Board members who want to see this item at a more aggressive, urgent place in tier one.

Ms. Palmer stated that she does not think they can move it around until the current planning underway is completed, and hopefully that will not take too much time.

Ms. Catlin noted that none of this is set in stone, and if something moves this in terms of urgency,

the Board can have that discussion.

Mr. Randolph said that tier three is somewhat of a “parking lot,” with these items parked and possibly moved over in the future when the time is right.

Ms. Catlin pointed out that hopefully some of the priority items will drop off, such as the water resources item that is already underway, and the Board will have a decision to make on that item.

Mr. Dill stated that he would like for the broadband item to move up to at least a tier two, and while they may not view it as a top priority, it is for people who do not have it.

Ms. Palmer said that it is important, but she is not sure what the Board is being asked.

Mr. Dill responded that this was not the point of this strategic exercise, and while he is not suggesting they should increase funding, he feels they should always push for better coverage.

Ms. McKeel stated that it is also part of the economic development big picture, as you will not get anywhere without it.

Mr. Randolph noted that this is the number one topic in his district for constituents away from Cale and Stone Robinson.

Ms. Catlin asked the Board if they could see this moving into a tier two, with the idea that it may move again depending on where the plan goes and what the Board sees as future direction.

Ms. Palmer stated that she could support that.

Ms. McKeel said that she could also support moving it to tier two.

Ms. Mallek agreed that she could too, at least in terms of the study piece.

Ms. McKeel stated that she would like to discuss the physical facility needs for the schools, because it is obvious that the school capacity issues are present and they are likely going to move forward with a bond referendum.

Mr. Sheffield pointed out that school space needs and school facility needs are interrelated.

Ms. Mallek said they are part of an ongoing school process that happens all the time with their long-range plan, so there already is a process in place.

Ms. McKeel stated that there needs to be better communication and work strategically, and from the School Board's side, there is a sense that they do not ask for things when they know there is no money. She emphasized that they need to figure out how to have some capacity facility planning that looks further into the future, and it is neither Board's fault because everyone has been working on this, but she does not want them to end up in the same place again in 10 or 15 years if they can help it.

Mr. Randolph said that the Planning Commission should also be involved, and at one point there was a high school included, so there was a vision for the need for an additional high school on the north end that is omitted in the current Comp Plan, but Mr. Dean Tistadt has said that the schools will be coming back soon with that need. He stated that good planning will help eliminate this kind of on-again, off-again approach and help to maintain guidance that tells them where they need to be going as a County, and they will remain fixated in that direction. Mr. Randolph said that if that is not a viable site, then another will be, and the school division typically does not have people with a planning background, which is why he feels it is valuable to include the Planning Commission and get all three parties together.

Ms. McKeel stated that it was clear to her and others listening to a recent Planning Commission meeting that the Commission needs to come up to speed on school sites and their ramifications, because walkable schools are great if you are building a new Neighborhood Model community, but in a lot of areas it is totally unrealistic, and their discussions showed the gaps in their knowledge base. She emphasized that projects are “on-again/off-again” only in terms of money available, and they need to work strategically to see how they can improve it.

Ms. Palmer commented that planning for the schools is under that division's purview, and she is not quite sure how they interact.

Ms. McKeel said there is definitely a feeling at the school division level that they should not even ask because there is no money available, or there is a school project on line but then suddenly it is pulled out of the CIP, and if nothing else they need better communication, because there seems to be confusion as to the process.

Ms. Mallek stated that the joint meeting is a good idea, and all the years that she has been on the CIP Oversight Committee, she has been advocating for the schools to stand up and defend the items they have in the CIP, but they have been very quiet other than Ms. Barbara Massie-Mouly going to bat for the Henley gym when it became a crisis. She said the schools need to emphasize their priorities, and she does not want them to pull things that are important because they are worried about the bottom line, that is the Board's job, so they need to provide the information first and if they remove items, the Board

will not understand their importance. Ms. Mallek added that the schools also need to get beyond the approach of “we will decide” once” and have more certainty when it comes to how they will allocate funds.

Ms. McKeel said that is pertaining more to line items, but they seem to be in agreement that there needs to be better communication.

Ms. Palmer asked when their next meeting is with the School Board. Mr. Foley responded that there is nothing scheduled outside of the five-year plan and budget process.

Ms. Mallek said that September would be a good time.

Mr. Sheffield pointed out that they are talking about improvements and enhancements, but also the need for new facilities, which is the same situation for fire, rescue and police. He stated that they had enhanced the fire stations at Seminole and at Ivy, but want to build a new one at Pantops. Mr. Sheffield said that he understands the need for the schools to do their own planning for their own improvements and enhancements, but there seems to be a disconnect with planning related to growth, and police, schools and fire do not seem to be working from the same set of information related to the natural growth patterns in the community. Mr. Sheffield commented that there seems to be a disconnect and the lack of a large growth planning discussion of where the next population center is going to emerge in the next 20 years and how they will get ahead of it.

Mr. Foley stated that they had talked about school capacity needs as a separate discussion, and Mr. Sheffield had raised a broader issue of looking at growth and doing some land banking.

Mr. Sheffield said that he had initially advocated for combining items, but he now feels that getting ahead of the growth and establishing infrastructure should be separate from the school enhancements. He noted that those things are funded and planned for very differently, and people get behind new projects more so than improving the old ones.

Mr. Foley stated that part of one of their objectives was to develop an approach for land banking, and perhaps Mr. Sheffield is saying that it should be based on land use and growth patterns. Mr. Sheffield responded that it is along the lines of growth expectations, similar to proactive rezoning, and if they want residential in a certain area, they should zone it residential rather than just nudging in that direction.

Ms. Palmer said the long-range planning committee comes out with a fairly large document related to their direction, and she wonders how often that is developed.

Mr. Foley stated the process happens every year, and said that at one time there was a plan for a high school in the 10-year picture, and some things changed in which they did not feel this was the right approach so they moved instead to planning for additions, including at Albemarle. He said the Planning Department meets with them every year and talks to them about the inventory of approved housing where zonings have occurred, and noted that Mr. Sheffield’s concern was that they pay attention to that across the board as well as directing it a bit more in the future so that facilities are available to address future needs. He stated that schools, fire stations, etc. should all be based around those principles.

Mr. Sheffield said he would be willing to bet that an area needing a new police substation would also be the same area in which they need a school, as all of those things are interrelated.

Mr. Dill asked when the last long-range planning document was developed. Mr. Foley responded that it is submitted as part of the CIP process every year, the School Board reviews it, then their version is submitted to the CIP process, so some of the documents that form the foundation of what was submitted included the work of the long-range planning committee, with the process beginning in June and July to catch up with the CIP process in the fall.

Ms. Mallek stated that she has been to several PTO meetings with members of the long-range planning committee because PTO families had questions about what was happening, and from watching this over the last nine years it is an incredibly difficult task. She said that with Old Trail, for example, 2200 units were approved but only about 1500 would be built, and while it was projected that the majority of those units would be occupied by seniors, they ended up being young families, so the expansion at Brownsville evaporated.

Ms. McKeel stated that the schools’ planning was within about 1% of growth projections, but where that growth would happen is harder to project.

Ms. Catlin said there is an issue related to school space needs and another related to growth in a broader perspective.

Mr. Dill stated that regardless of whether it is for schools or not, land banking is a specific strategy and a critical way of thinking, and a question for them is whether to wait until a high school is needed before looking for land, or bank it now.

Ms. Mallek commented that they definitely do not want to wait.

Ms. McKeel stated the reason that Agnor-Hurt and Woodbrook Elementary Schools were located across the street from one another was because many years ago, the Board of Supervisors had the

property at Agnor-Hurt and instructed the schools to build a school there, so for years the County has redistricted back and forth between those schools, although it was not necessary where that school should have been built.

Ms. Mallek noted that they had done it to save \$10 million.

Mr. Dill stated that the University of Virginia buys land all the time through the UVA Real Estate Foundation and banks it, so there is something to be said for that approach.

Ms. Mallek said the Board would study that approach as part of this process.

Mr. Foley stated what that objective would drive would be a strategic thought about districts and growth patterns and locations for specific sites, and while they do that to some degree in Community Development, this will take it to the next level.

Ms. Catlin said that another objective the Board had identified was to address age-friendly community needs and initiatives as part of County planning, and she asked if anyone would like to make a case as to what tier this belongs in.

Ms. Mallek asked if the Board sees this as part of tier one, number two, and if that had broadened beyond just gray infrastructure. Mr. Sheffield responded that it is a little bit of revitalization, but it is also enhancements, with the main perspective being whether they are considering policies that allow for decisions to accompany the entire age spectrum, and there are some who will argue that this is not happening, and the Board is making decisions in "age silos" that create barriers.

Mr. Foley asked if this is just an urban area issue. Mr. Sheffield responded that there is a small part of this that is also rural, in terms of providing access and mobility.

Mr. Foley stated that those who are working on urbanization issues are a different set of people than those working on issues related to aging, and in thinking about assigning resources, it is hard for him to see it falling under those other things, which are really driven by the urban areas and those needs.

Ms. Catlin commented that perhaps it should stand alone from the urbanization issues.

Mr. Randolph agreed that it should.

Ms. Palmer agreed, and noted that there are a lot of rural elderly in her district. She said that she had recently received a call from a constituent expressing concern that there is no ADA access to the one building they want to do for elderly people.

Mr. Randolph said there is delivery of senior services already in the rural area, with the community center at Scottsville High School and a center at Yancey Elementary.

Ms. Catlin asked the Board where it would fit in the tiers of the matrix. Ms. Palmer responded that some of it is transportation, some of it is DSS, etc.

Mr. Dill responded that he looks at it in the same way as climate action in that it affects everything they do and should be considered in those decisions, but it is not something that can be addressed with a single budget allocation.

Mr. Sheffield said it is an important emerging issue across many communities, but it has not been articulated in terms of what the top priority is, and while he would advocate for it to be in tier one, it has to evolve a bit more before the Board, City Council and others to understand which aspects of it are the highest priority.

Ms. McKeel asked if they might want to move it out of the 2-2-2 place and move it into tier two. Mr. Sheffield stated that his group that is meeting regularly, the Charlottesville Area Alliance, hopes to have more information about what those priorities are, but that likely will not be available for another year. He said the challenge will be how to move this from tier two to tier one.

Ms. Catlin reiterated that the item does not go away, it just is not at the top of the list for focus and resources.

Ms. Mallek said that the issue has affected the considerations of public safety in terms of the services needed at Pantops, and Community Development considers it in terms of planning for sidewalks, etc., so moving it into tier two raises awareness that they need to keep progressing in any way possible.

Mr. Dill commented that they should not think about this as a "needy group" of some time, and recently asked Gordon Walker if there are any communities that view the value of seniors because they pay taxes, they do not have kids in school, they volunteer a lot, and they contribute to the community, so rather than looking at them as a problem to be solved, they should look at that demographic from the perspective of honoring the seniors who are here.

Ms. Catlin asked the Board where they would like to place the objective related to affordable housing, housing redevelopment, and opportunities in the development areas to improve and increase affordable housing choices. She noted that they would take off the connection to the specific MOU as a

standalone item. Mr. Sheffield stated that he can make the case that it is enhancing the urban areas.

Ms. Catlin said the last objective is related to more extensive environmental protection initiatives, including implementing select recommendations from LCAP, and they will again take off the link to the MOU. She asked the Board where they feel this falls in the three tiers.

Ms. Mallek commented that there are many opportunities for financial savings and investing wisely to improve energy efficiency, and she hopes it is part of the County's operations.

Ms. Palmer stated that it is a pretty broad objective, and they are doing a lot of things now but can be doing more, and it should be operational. Mr. Foley responded that they are doing some things now but can be doing more, and that is where it becomes strategic.

Ms. McKeel said that she does not like leaving it as 2-2-2 because it seems to just stay there, and will move it to tier two.

Ms. Palmer stated that she will agree to move it to tier two, but would like to have it fleshed out a bit more. Mr. Sheffield and Mr. Dill agreed.

Ms. Catlin stated that the Board will use "dots" and identify the items they feel are the very top priorities.

Ms. Palmer asked if they will have the financial information associated with the objectives. Ms. Catlin responded that it will be part of the work they do with this over the summer.

Mr. Foley noted that enhancing urban areas and the revitalization/redevelopment are the highest priorities at this point.

Ms. Catlin confirmed that this is the case, and noted that the strategies underneath of that objective may have to be done in phases.

(Note: At 2:43 p.m., the Board recessed and then reconvened at 2:52 p.m.)

Ms. Catlin stated the first outcome of the Board's discussion at this meeting is to develop a relationship between the MOUs and strategies, considering them tools but not putting them in as objectives to compete against other things. She said the highest order of importance will be the urban redevelopment cluster strategies, which will be partnership and incentive options for business development expansion in Rio/29, gray infrastructure needs, proactive rezonings, urban service districts, revitalizing aging urban areas, and developing differentiated funding strategies for quality of life projects in the development areas. Ms. Catlin said the other cluster discussed was urban enhancement, including working with regional partners to determine alternatives for multi-modal transportation, small area planning, using transportation revenue-sharing money for several identified major transportation initiatives, affordable housing and housing redevelopment opportunities.

Ms. Catlin stated that in looking at tier one objectives, the first are related to staff recruitment and retention challenges through implementation of salary compression recommendations, focusing on potential differentiated compensation for police; determining which specific DSS programs have the best potential to positively impact the most significant issues challenging the community; addressing long-term needs of the Circuit and General District Court; working with the regional partnership to enhance the Rivanna River corridor; enhancing educational opportunities for at-risk preschoolers; and developing sustainable funding strategies and other resource opportunities including resource committee recommendations.

Ms. Catlin stated that what is left in tier two is the Board-approved work plan for the newly created Economic Development Office; determining the most critical deficiencies and challenges facing the community regarding policing and access capacity of geo-policing to meet those needs; and establishing direction to address the challenge of intensification of uses in the rural area. She said they also added to tier two affordable broadband access, age-friendly community needs, and environmental protection initiatives/resiliency concept. Ms. Catlin added that this left in tier three the accessibility of county information, near-term planning for police training, rural transportation needs, space needs, clarification of land banking and growth planning and better communication on that issue, and water resource programs.

Ms. Catlin asked for Board input on the tier assignments, with the understanding there is still work to do in terms of clarification, costs and resources. Ms. Palmer stated that solid waste did not get discussed, but it can fit into other things such as climate change.

Mr. Sheffield said that when a Board member has an emerging issue, bringing it to the full Board to modify the strategic plan is one of the first steps to see how it fits into the plan, and if it does not fit in, figuring out how to amend the plan so that it does. He stated that Mr. Foley then knows how to assign resources in terms of dollars and people to it.

Mr. Foley stated that going forward, perhaps a more disciplined approach could help them come back to this point and they can decide whether there is room for new items, and there is also the reality of ongoing operational items and implementing solid waste initiatives is something staff has already costed out. He said this process creates a bit more of a framework that will be in place by which to judge any new initiatives.

Ms. Palmer asked what the process will be for the Solid Waste Advisory Committee, for example, to come forward with a specific initiative. Mr. Foley explained that the CIP process would still need to be followed, so there will be a request that will come through the process, but what is different is that this strategic plan will be used by the Oversight Committee as they make decisions about what to fund. He stated that the most important capital items, including school capacity, can consume resources that might delay other initiatives such as putting in a recycling center. Mr. Foley said there is still a process to be followed to identify those needs, and it will be a matter of assessment and resource allocation, and while the CIP process would go along as usual, new requests will have to be judged by this as a priority driver of what can be funded.

Mr. Sheffield asked if Ms. Palmer would then try to bring that as a strategy to help inform the CIP process, and be tasked with advocating for the Board to endorse it as a tier one strategy. He noted that if there is suddenly a large amount of federal funding for broadband and Mr. Randolph brings it forward, the Board would likely agree with it as a tier one priority. Mr. Foley agreed and pointed out that broadband is already on their list, and said that if there is an amendment to the strategic plan, there will likely be discussion among the Board as to whether it now has a separate standing from the other items.

Mr. Dill stated that there seems to be a difference between operational and capital needs, and adding a dumpster in Crozet or putting a new half-time staff person there would not require the same level of deliberation, and they will just deal with circumstances and opportunities as they arise, including urgent issues such as a sudden dumping problem in the rural area.

Ms. Palmer said that they have a long-range solid waste plan, but there is not much of a recycling effort currently. Ms. Mallek responded that it will be an enhancement to their current program.

Ms. McKeel stated that they have some ongoing efforts.

Mr. Foley said that if a proposal comes forward to put up \$750,000 recycling centers at four locations throughout the County, that becomes pretty strategic, but taking some smaller steps such as putting some recycling bins at shopping centers would not rise to the same level of a big strategic discussion. He stated that some things they would just move forward on, and a lot of that would depend on how limited resources are. Mr. Foley emphasized that there is not a clean delineation or a firm line, but what they have done today is define the big pieces, with normal processes continuing on, but when it becomes a big issue with a big investment, it will likely require coming back to the Board for strategic process.

Ms. Mallek asked how what they have done today affects the other side of the operation, in terms of issues with the zoning ordinance that cause problems for staff and applicants that are not part of the current adopted work program, or master plan reviews that are really important as communities evolve and there are established committees that need to keep current with what is going on. She asked how this process affects those investments and whether something needs to be added to the Board's priority list so they do not get left behind, as they may require some work up front but will have a good return on the back end.

Mr. Foley stated that they have been doing strategic planning since 2004 and have had the same discussion about strategic priorities, with the tiered list being what emerged from the current process. He said that doing a comprehensive zoning amendment, for example, is an operational priority that staff may need to hear from the Board on that may fall within existing resources on which to move forward. Mr. Foley stated that if that had come up as a strategic priority, it would be higher on the list and would drive more resources, but there would also be emerging operational priorities, such as new mandates and the goal to keep salaries at market, which are big drivers on cost. He said the two-year fiscal plan would likely bring those operational items forward, such as a new position in Community Development that will focus primarily on rewriting the zoning ordinance, which is still an issue that may come forward from that department.

Ms. Mallek stated that it is the matter of known versus unknown, and if they do not make some of those changes now they will continue to find themselves at this point.

Mr. Dill asked if all of those changes are related and need to be part of an overarching zoning ordinance modification. Ms. Mallek responded that some are broad with lots of little places needing to be fixed, and others, such as the economic development authority, are discrete zoning ordinance changes.

Mr. Kamptner explained that as they go through the zoning ordinance, there are some smaller changes, but as they go through the master plan and small area plan processes, they are going to want to adopt regulations that implement those in a meaningful way. He stated that the new proffer legislation provides some incentives to proactively rezone because the value of proffers is likely to be diminished to a significant extent, and the district regulations are out of date, cumbersome, and difficult for the public and staff to apply.

Ms. Mallek commented that when they do not fix this, they make mistakes and pay for those mistakes and the community pays for the mistakes for a long time, so she will continue to harp on this issue in hopes they can find a way to move faster on this. She added that the longer they wait, the more trouble they make for themselves.

Ms. Catlin stated that at their last meeting, the Board had discussed community engagement and

recognized that they did not want to do large meetings during the summer because people would likely not attend, but did recognize that during budget season they would put this out there in an effort to get public input into the budget. She said that staff suggested using community advisory committees as a forum for doing that, and has tentatively reserved some time in all the July meetings to have some discussion about this. Ms. Catlin stated that they also talked about establishing an online tool and Mr. Sheffield had expressed interest in having a statistically valid, objective survey, but in talking to the center at UVA who does surveys, it is evident that they will not have time to do a survey for the first year of this plan, although it will be possible to do one in time to inform the second year of the plan. She noted that they had also talked about doing a focus group and pulling in a representative group to provide some feedback, much like they did with the budget with Mr. Foley and Dr. Moran. Ms. Catlin said that staff would also like to put together a "discussion in a box," which will contain materials that Board members can use in their own discussions in the community. She stated that the goals of the community engagement will be to let people know the County is embarking on this budget process, to give them an opportunity to provide some feedback on the work that has been done so far, and to let them know about future milestones and engagement possibilities, including a formal public hearing in the fall when the Board is at the point of adopting the two-year fiscal plan.

Ms. Mallek asked what the timetable would be to have the "discussion in a box" ready. Ms. Catlin responded that it can be ready in the next week and a half to two weeks.

Mr. Foley stated that as it relates to the process going forward, the end goal is a balanced two-year fiscal plan, with staff costing out priorities, identifying the other cost drivers for the two-year financial picture, and asking the Board to adopt a plan that is balanced for two years. He emphasized that there will be some tough decisions and choices over the next two years that the Board will have to make about how they will fund priorities, and whether there will need to be tax increases or changes to other programs to address those priorities. Mr. Foley said that instead of staff showing the Board a gap in their fiscal plan, they will propose a balanced two-year fiscal plan and then have sessions as to whether it reflects what they want. He stated that staff is trying to get as much input as possible so that what they put in front of the Board is no surprise, but it will be proposed based on limited resources and Board direction over the next few months, and at the end of the process, staff would like the Board to adopt a balanced two-year plan. He noted that the Board has provided more direction through this process to help them get to the balanced plan, but it will still be a tough process. Mr. Foley said that to get to that point, there will need to be a review of current programs and services, with the Board identifying reductions or eliminations so they can get to their priorities, and there will also be consideration for reallocation of resources. He stated that some of their identified priorities may not get into the plan and can be pushed into tier three, and maybe the Board raises taxes in year one and two, or maybe a program is no longer going to be provided or provided at a lower level to free up resources to pay for priorities. Mr. Foley emphasized that the Board will have to start with what is most important and rank those, and they have made significant progress in that regard.

Ms. Palmer stated that they will still have a long-term budget deficit as shown for several years, and she wants to know how they are going to integrate the schools' needs or whether they are just talking about the government side. Mr. Foley responded that they are not talking just about the government side, and have not yet talked about market salaries for staff, and a balanced two-year fiscal plan means that they have to consider the entire picture. He stated that they will still do a five-year projection but the objective is to solve the fiscal situation for two years, so they will still have to sit down with the schools and discuss operational priorities that have not made it to these lists but still need to be considered. Mr. Foley said that this is the most challenging part of the process, and look at the programs and services they have in place now and figuring out if there are opportunities. He stated that they will also be looking at some other taxing services and whether they are part of the equation, which will all be part of getting to a balanced two-year fiscal plan. Mr. Foley said that the Board will have a two-year plan before them in December for which they will have to decide priorities given the resources available.

Ms. Palmer commented that the schools will have to be pretty accurate or give themselves leeway in terms of the enrollment figures, because every year they plan for a certain amount of students but that can vary. Mr. Foley explained that with the five-year financial plan, they start the process in early fall, with staff working with the school system, which projects its enrollment and identifies its needs, and the County has incorporated that into the five-year plan in the past. He said the problem is that they have not done the hard work to balance the plan, but the new approach is to focus on balancing a two-year plan with more certainty and clearer priorities. Mr. Foley stated that how the schools play into that and their enrollment needs, and how debt service on a new high school and other projects will impact the plan will need to be fully vetted. He said they have done this before with the five-year plan process, with staff presenting something to the Board in early November, with subsequent work sessions and approval of a balanced plan by the Board's second meeting in December. Mr. Foley noted that this provides direction for an annual budget that is driven by Board action and prioritization. He commented that in the past, they had tried to do a five-year plan, but there were so many uncertainties it was hard to make that a real exercise, and balancing the two-year plan is the ultimate goal here.

Ms. McKeel stated that the schools are anticipating a huge hit from VRS based on what the state is doing.

Mr. Foley responded that there will be a big hit from VRS. He stated that the guidance from the Board has been to provide 60% of funding to the school system, but the challenge has been whether that pays for all of the schools' needs, and if it does not, how the Board factors that in to other priorities. Mr. Foley stated that a balanced local government plan does not really get them anywhere unless they decide that 60% is it, with the schools having to figure out what they do otherwise if 60% does not pay for it. He

commented that this a big cost driver they will have to consider in the context of a balanced plan, but they cannot get into that until they establish a framework for what is most important, and that is what they have done today.

Mr. Dill stated that the difference with a five-year plan and a two-year plan is that a five-year plan is far out and hard to estimate, but everybody understands it and there is not a commitment to it, but when they come up with a two-year plan, the first year must have a balanced budget and they would need to vote on it and that would be it, but the two year plan would still have some flexibility. Mr. Dill said that it seems that this will be a tricky communications thing when they have already said they are committed to the second year, and people may react unfavorably if a certain program is taken away or taxes are raised.

Mr. Foley agreed that it is a challenge, and that is the reality of what is proposed here, and explained that in the past staff always presented the Board with a balanced five-year plan that might have a penny tax increase in one of the years associated with a specific initiative such as police officers. He stated that it got to the point that the decision-making process was very challenging because of the economic situations, especially coming out of the recession when expenditures continued to grow but property values were flat. Mr. Foley said that they were in a cycle of using five-year planning but it did not work well during the financial downturn, although they did talk to the public about the challenge of that, and now they are moving back into a multi-year planning cycle. He stated that the two-year fiscal plan will not get down to the line items but will inform the annual budget, and if a tax increase is proposed but revenues come in stronger, they may not need the tax increase, or the demands may be greater. Mr. Foley commented that this process does not guarantee what the second year will look like, but it provides a much better picture of the financial outlook.

Mr. Dill stated that it is really a rolling two-year plan.

Mr. Foley agreed with that assessment, and said that staff will show the Board projections for five years out but will not try to establish a balanced five-year plan.

Agenda Item No. 3. From the Board: Committee Reports and Matters Not Listed on the Agenda.

Mr. Sheffield said the Route 29 Project Delivery Advisory Panel (PDAP) will be taking a bus tour of the construction for the Rio grade-separated interchange and the 29/250 intersection from 2:00 to 4:00 p.m. on June 9 and there are currently two Supervisors already going, so he will need to know who else is attending.

Mr. Kamptner noted that they may need to adjourn their June 8 meeting to that event, and Mr. Morris can get the word out to those requesting notification of public meetings.

Ms. Mallek said that she can take notes if necessary.

Agenda Item No. 4. From the County Executive: Report on Matters Not Listed on the Agenda.

There were none.

Agenda Item No. 5. Adjourn to June 8, 2016, 3:00 p.m., Lane Auditorium.

At 3:30 p.m., Ms. Mallek **moved** to adjourn the Board meeting to June 8, 2016 at 3:00 p.m. in Lane Auditorium. Mr. Dill **seconded** the motion. Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Sheffield, Mr. Dill, Ms. Mallek, Ms. McKeel, Ms. Palmer and Mr. Randolph.
NAYS: None.

Chairman

Approved by Board
Date 03/01/2017
Initials TOM