

An adjourned meeting of the Board of Supervisors of Albemarle County, Virginia, was held on October 4, 2018, at 10:00 a.m., Room A, 1600 5th Street, McIntire Road, Charlottesville, Virginia, for purposes of a joint meeting with Charlottesville City Council. The meeting was adjourned from October 3, 2018.

PRESENT: Mr. Norman G. Dill, Mr. Ned Gallaway, Ms. Ann Mallek (arrived at 10:29 a.m.), Ms. Diantha H. McKeel, Ms. Liz A. Palmer and Mr. Rick Randolph (arrived at 12:01 p.m.).

ABSENT: None.

OFFICERS PRESENT: County Executive, Jeff Richardson, County Attorney, Greg Kamptner, Clerk, Claudette Borgersen, and Senior Deputy Clerk, Travis O. Morris.

CHARLOTTESVILLE CITY COUNCIL PRESENT: Ms. Kathy Galvin, Ms. Heather Hill, Mr. Mike Signer and Ms. Nikuyah Walker.

ABSENT: Mr. Wes Bellamy.

CITY STAFF PRESENT: Interim City Manager, Mike Murphy, City Attorney, John Blair, Director of Communications, Brian Wheeler.

Agenda Item No. 1. Call to Order.

At 10:12 a.m., Ms. Walker called the Charlottesville City Council to order.

At 10:12 a.m., Mr. Dill, Vice-Chair, called the Board of Supervisors to order. He stated that he was filling in for Chair, Ms. Mallek, who was having car trouble but should be arriving shortly.

Agenda Item No. 2. Welcome and Introductions.

Ms. Walker said that she serves as Mayor for the City of Charlottesville. She stated that Mr. Bellamy would not be present. City Council members and City staff introduced themselves.

Board members and County staff introduced themselves.

Agenda Item No. 3. Economic Development:

Item No. 3a. Economic Development Memorandum of Understanding (MOU): Coordination/ Opportunities.

Mr. Chris Engel, Director of Economic Development for the City of Charlottesville, stated that he and Mr. Roger Johnson, Director of Economic Development for the County of Albemarle, would provide an update of things they have worked on together over the past year, specifically related to the MOU signed by both bodies the previous year. Mr. Engel stated that he was pleased to be part of Mr. Johnson's selection process earlier this year and said it sends a good signal that the City and County are working together. He added that he is pleased the County is moving forward with its economic development strategy.

Mr. Engel stated that economic development is a collaborative effort and involves work with State and regional colleagues, as well as private business owners, individuals, schools, etc., to get things done. He said that economic developers do not actually create jobs or make capital investments, but they encourage others to. He noted that the MOU prepared last year lays out some key areas where the City and County have agreed to support one another, with the first being the job creation and capital investment piece and the intention of collaborating to retain companies. He said that the MOU also specifies that the City and County would share referrals, and it suggests that there would be no solicitation of existing businesses as part of an "anti-poaching" statement.

Mr. Engel commented that the MOU specifies support on education and workforce development efforts and speaks to the ecosystem being fostered here so that companies starting in one or the other jurisdiction can grow throughout their life cycle and be successful, as businesses do not consider arbitrary political boundaries. He stated that the MOU also emphasizes regular communication, and he and Mr. Johnson have been working together closely.

Mr. Roger Johnson stated that economic development is a "team sport." He stated that the University of Virginia (UVA) is seeking a Go Virginia program, which is a state-funded program that focuses on providing grants for economic development, with three key areas being site readiness, building a talent pipeline for workforce development, and innovation/entrepreneurship. He said that in this case, UVA is seeking local support from the City and County for a Go Virginia grant in the amount of \$300,000 over two years to create a program called "Catalyst," which would take small startup businesses and help them grow. He explained that UVA currently has pipeline businesses that are small in nature and need additional space, mentorship, access to capital, etc. Mr. Johnson said that the University would locate space in the County and City and would help any businesses that meets the

criteria, recognizing up to five companies each year for additional support, access to capital, access to mentors and expertise.

Mr. Johnson stated that WillowTree Apps exemplifies the team effort between the City and County, as it outgrew its City location and decided to look for space, which the County was able to find in Woolen Mills. He said that he was pleased Ms. McKeel and Albemarle's Economic Development Authority's Chair, Mr. Rod Gentry, wrote a letter to the Editor to express the teamwork involved with the relocation. Mr. Johnson noted that there are several future collaborative projects associated with WillowTree. Part of the agreement specified that they would focus on a small area economic development plan for the Broadway corridor, as well as find a way to shuttle employees to and from the pedestrian mall area.

He said that as they were nearing the end of completion of the agreement, they determined that there were site constraints in terms of accommodating the additional necessary parking, so they worked with the developer and WillowTree senior leadership team to overcome that barrier. He stated that they pledged to create a shuttle from the mall area to the Woolen Mills area on a regular recurring basis in the morning, lunchtime, and evening, with additional trips sporadically throughout the day. Mr. Johnson said they would be working with both localities' staff, the developer, and WillowTree to finalize what that project would look like.

Mr. Johnson stated that the Broadway corridor area is adjacent to City property, and the County would be working with the City to determine how to best utilize the area. He said that the property is 46 acres of light industrial, but the County does not have a lot of opportunities to find job-producing projects but would work with the City to maximize its use.

Mr. Engel commented that WillowTree is the perfect example of a company in the life cycle of a business being accommodated in the community; it would have been unfortunate if the business had to leave the community because it could not find space for expansion. He said that a few years earlier, one decision that members of the two boards through the Rivanna Water and Sewer Authority was cleaning out the odors being emitted from the nearby sewer treatment facility. He stated that one of the comments from the WillowTree representatives was that the project was critical in their decision to locate at Woolen Mills, emphasizing that infrastructure is important to economic development.

(Note: Ms. Mallek arrived at 10:29 a.m., and assumed the role of Chair.) Mr. Engel said that beginning in 2014, the City started Growing Opportunity (GO) programs, which are job and demand-driven workforce development programs in which they seek to find companies having challenges in hiring people. They work from the job needs backwards to create candidates that are ready and able to take those jobs, then train them in a short period of time (six to eight weeks to get a certification) as well as wraparound support services to help them through that process as they transition from either no work or underemployment to full-time employment.

Mr. Engel commented that the most significant success from this program was GO Driver, which trains transit drivers as well as school bus drivers. He said that in the past year, the City's partnership with the County included two participants who became County school bus drivers. He stated that GO Cook was a culinary arts training program to introduce individuals to restaurant and hospitality work, with some interest in sending County residents through this program also.

Mr. Johnson stated that UVA has a dual career program called the Talent Pipeline Project in which they help accompanying spouses find employment when relocating to the community, and they have reached out to the City and County to help partner in that but are not asking for financial or in-kind support. He explained that the University has built a database and the program and was asking the localities to cross-reference the database with their sites so that as people seek employment here, they have access to the database. He noted that the database does not include specific jobs but does list companies in the community so the accompanying spouse has a single source in which to reference businesses.

Mr. Johnson reported that Project ENABLE is the County's strategic plan for economic development, with ENABLE being an acronym for "Enabling a Better Life Economically." He explained that the primary goal of Project ENABLE was to bring new wealth into the community to support existing businesses and foster the desired quality of life aspects here. He stated that to accomplish this, they would focus on primary businesses; those that produce a good or service locally and sell it outside of the area, bringing the wealth back into the community along with indirect and induced benefits associated with building a market for existing businesses to survive.

Mr. Johnson said they are also doing that through helping startups that are already here grow through an ideation process, a conceptual process, to actually become a brick and mortar process through innovation and entrepreneurship, as well as other programs such as the existing Valet program and economic gardening programs. He added that the third approach to bringing new wealth into the community was through direct investment, with the goal of helping the County build the place envisioned in the Comprehensive Plan. Mr. Johnson noted that the County has been working in conjunction with the City on this strategic initiative, and Mr. Engel has been helpful in feedback to avoid redundancy and encourage synergy, as well as bringing other partners to the table who are willing and eager to support the efforts.

Mr. Engel reported that Opportunity Zones resulted from federal legislation that was enacted in late 2017 and has moved fairly quickly into implementation. He explained that each Virginia jurisdiction

was asked to submit a priority listing of qualifying census tracts, so any of those meeting criteria established by legislation was allowed to be put into a priority, then the Governor selected the top priorities and pushed them forward to the federal government. Mr. Engel stated that the City and County collaborated on shared priorities, with the City having two just south of the Downtown area and the County having one south of I-64 and one farther north, so those are the two Opportunity Zones put in place.

He commented that the reality of what they would yield and benefit was yet to be determined, and some of the parameters as to how these would work are still being worked through at the federal level but once those are worked out, investors with capital projects they want to defer capital gains taxes on could invest in these areas for up to 10 years and receive some relief there. Mr. Engel said that once the rules are worked out, there will be some additional activity anticipated in the highlighted areas that would hopefully be beneficial to the community.

Ms. Walker asked if the shuttle that would run from downtown to WillowTree would be on an existing CAT route or a separate route. Mr. Johnson responded that those details have not yet been worked out, but the County would be working with the City to establish that.

Ms. Walker asked if the County was on the same five-year cycle with its Comprehensive Plan as the City, and if they are updating 2018. Board members responded that they were done with 2018 and are on a different cycle.

Ms. Hill asked if they made recommendations for the Opportunity Zones based on those that are adjacent City-County properties and asked if there was a top priority for incentives for the types of activities that will take place in those zones such as housing versus commercial, etc., as she wants to understand what investors will be basing their focus on. Mr. Engel responded that he was unaware of any priority, and any housing project or business would be possible as he does not think the legislation stipulated one over the other but some of the details are still being worked out.

Ms. Hill asked if they also provided commentary around the benefits of the projects that crossed City-County lines. Mr. Engel responded that they collaborated on the selection but submitted as separate localities, adding that the City has worked with the County and one of the zones was contiguous.

Mr. Johnson said that it was important to recognize that there are capital investment firms raising capital specifically to invest in the Opportunity Zones, so regardless of the activity, there would be capital available for those areas in the future that was not there in the past. He stated that they could seek out capital investments based on local priorities, but as of today it was just about the investments themselves.

Ms. Mallek asked if there was a timetable as to when the state or federal governments would have their next round of instructions ready for making investments in the zones, and asked if zoning in the area was LI, flex, or something similar. Mr. Johnson responded that the last report received was from EIG, the foremost experts in this area, was that they were supposed to bring that information forth the previous week but was behind on making disclosures and announcements and zoning was not a variable in the consideration.

Ms. Galvin stated that they talked about 46 acres of light industrial in the Broadway area, which was very close to the border of the City and County and asked if there was a possibility because they are seeking well-paying manufacturing and light industrial jobs for center-city residents to have a shuttle to that site also when it was built out. Mr. Johnson responded that at this point, they do not have preconceived notions on what it would entail but do have a legal obligation to meet as it relates to the agreement with WillowTree, and he anticipates that the shuttle could include other types of activities.

Ms. Galvin commented that it was great that they have a comprehensive single list of companies from UVA, and she wondered if there was a way to identify SWAM (women and minority owned) companies on the list. Mr. Engel responded that it has been mentioned but the site was still under development, but because workforce and talent attraction was a top priority, the City and County could talk to UVA about company identifications.

Ms. Galvin stated that her understanding of site selection was that they were chosen because they were qualified census tracts, so they are low-income areas specifically targeted for investment. Mr. Engel confirmed this.

Ms. Galvin asked if the locality would be able to create its own criteria and constraints, as they are regularly facing rising property values and consequential displacement. Mr. Engel responded that the attorneys would likely have to weigh in on that, but localities could identify revitalization zones, technology zones, and whatever is enabled under the State Code, but could not alter the federal Opportunity Zones.

Mr. Gallaway stated that land use and zoning laws would govern the criteria and constraints that Ms. Galvin mentioned, as the Opportunity Zones would dictate how the money is invested, what the rules are, and what the return is but in terms of projects materializing, it is up to land use laws. He added that this was just another incentive to spur the development in those particular areas, but then local zoning dictates what is built.

Ms. Galvin replied that this underscored the importance of getting the zoning right, which was related to what Ms. Mallek had said.

Mr. Engel commented that the intent of the Opportunity Zones is to get capital invested that was not currently being utilized.

Ms. Walker asked if the City was a part of the legal obligation for the route mentioned. Mr. Johnson responded that the City was not part of the contract itself, but as a partner, the City would be at the table to help make those decisions.

Ms. Palmer stated that the City and County put in more than \$40 million for a wastewater treatment plant, which improved the water quality dramatically at Woolen Mills and added to the positive environment where WillowTree employees would be walking. She also commented that there was not an exhaustive list of all the ways the City and County collaborated, but the County recently invested significantly in a new municipal waste transfer station at Ivy to ensure that all residents have a modern, efficient disposal site and better materials management. Ms. Palmer emphasized that the County also recognized that there are job opportunities and small business opportunities in the hauling industry, as the community had not offered small businesses cost-effective disposal options in the past. She said that she hopes the City and County could work together to improve the waste management industry, which could be entered with very little investment.

Mr. Gallaway stated that it was encouraging that both the City and the County were working to avoid redundancy, as this would help things proceed more efficiently.

Item No. 3b. Revenue Sharing Agreement (Report).

Mr. Mike Murphy stated that there was legislation from the previous year entitled "Voluntary Economic Growth-Sharing Agreements," and they would cover the responsibility for the annual report as the receiving locality of one of the agreements. He said that both bodies received a document from City staff on regional spending on services, programs, and initiatives, and Ms. Leslie Beauregard would review the document.

Ms. Leslie Beauregard, Assistant City Manager, stated that the document and copies of the pertinent legislation have both been provided to the Board and Council. She said that staff was surprised at the number of initiatives and items that the City and County share, pay costs for, and partner on. Ms. Beauregard explained that on the first page of the documents reflects about \$19 million in operating funds to cover items such as Parks and Recreation; Charlottesville Area Transit (CAT) and JAUNT; regional educational programs such as the Jefferson Madison Regional Library system; services for children, youth, and families including contributions to United Way, JABA, Region Ten, the Health Department, The Free Clinic and Community Attention; courts and court support services, including the Juvenile and Domestic Relations Court and the Magistrate's budget; public safety facilities and agencies, including the Jail, ECC, the SPCA, Legal Aid, and OAR; regional housing and employment programs, including AHIP, PHA, the Chamber of Commerce, and the TJPDC Workforce Center; and the Ivy Landfill remediation and McIntire Recycling Center.

Ms. Beauregard stated that on the capital side, there were previously adopted capital costs and investments equaling \$13.6 million and including projects related to CATEC, the Central Library, the ECC, Hillsdale Drive, CAT bus purchases, and PVCC. She said that for the five-year Capital Plan put in place last fiscal year, that would total \$20.7 million, which includes the City's share of Ivy Creek and Darden Towe Park, CATEC, and Central Library improvements, the General District Court facility, a parking structure in the downtown area, PVCC, and the Senior Center at Belvedere.

Ms. Mallek said that this was a list of investments that the City made for City services to City residents that happen to fall into situations where joint services are required by the County, but she does not know how this satisfies the City providing benefits to County residents for the money the County was providing through revenue sharing.

Ms. Palmer agreed, stating that it would be helpful in the future to have discussions about projects the City pays for that benefits both City and County residents. She said that the areas they have discussed the most include transportation, such as pedestrian-friendly modes like sidewalks, bicycles, CAT, etc., as the information presented does not help the County explain the benefits of the revenue-sharing money to constituents.

Ms. McKeel stated that the City's expense for CAT and JAUNT is listed as \$3,847,956, which is the entire local share of monies spent for those budgets and within that, JAUNT only provides ADA services in the City, so that does not help County residents although it was needed for City residents. She commented that having JAUNT listed there was confusing when it came to explaining to citizens how the money benefitted them, and it would be important to break that out when presenting this next year.

Ms. Mallek pointed out that there was a parallel payment from the County every time JAUNT crossed the line.

Ms. McKeel said that as an example, JAUNT service with City dollars was for ADA.

Mr. Dill commented that he was not sure, related to Delegate Landes' law, whether this was what they were supposed to do.

Ms. Walker stated that her question was related to the City and County interpretations of what was supposed to happen.

Ms. Beauregard said that she spoke with Ms. Lisa Robertson in the City Attorney's Office about this legislation a few months ago regarding what this might look like, and her suggestion was to look at the regional nature of what the City was doing. She stated that she also asked Mr. David Blount, of TJPDC, if there were any other reports available, given that Charlottesville was not the only locality with these types of agreements, and he said there was not. Ms. Beauregard said that the City's approach with this was to look at things they are sharing and to consider that putting funding into them benefited everyone, which was why they are regional in nature. She emphasized that it was a difficult exercise, and she was interested in hearing what the attorneys had to say.

Mr. Kamptner explained that the reporting requires the amount of money transferred among localities pursuant to the agreement, as identified in the report, and the uses of such funds by the localities with no further explanation and a separate component requiring that the bodies discuss anticipated future plans for economic growth in the localities.

Mr. Blair stated that he agreed with Mr. Kamptner's assessment as to the requirements found in the bill, and in hearing the County's perspective, the second requirement was that the uses of such funds by localities was explained and there was no further requirement beyond that. He said that the City would submit that the revenue-sharing funds have come to the City, and this was an explanation as to how those funds are being spent. He added that he does not see any further requirements in the bill beyond what Mr. Kamptner said, except that there is also a requirement of convening an annual meeting and this session fulfills that requirement as well.

Ms. Palmer said that she was not expecting anything for this other than to open up a discussion about joint projects that would help everyone. She stated that most of them knew there were not enough transportation-associated projects, which they have discussed many times before, including whether revenue-sharing dollars could start to go to those things. Ms. Palmer said that she appreciates the challenge of putting this together and having the presentation just to open up the discussion.

Ms. McKeel stated that some of the discussion related to how they wanted to frame this and what information would be helpful, and it was important to recognize that the County's constituents are seeking some answers regarding revenue-sharing dollars. She said that it would be helpful to be able to explain to residents how this is beneficial for the entire community, as they want to work together as much as possible.

Ms. Galvin commented that she would like to see the City and County expenditures as percentages of the total.

Ms. Palmer said that would likely be possible, but most of the agreements are based on population or use and have a defined contribution level that has been worked out over quite a while.

Ms. Galvin responded that she was raising a new issue, as it would help her understand the relative magnitude of investment and mutually beneficial regional programs.

Mr. Signer commented that it seemed there are two different sets of data; one that was narrowly required by the law, which was contributions to establish regional programs; and what the City was doing that supports a County resident. He said that the latter could be challenging to break out in some ways, because capital would be different than operating expenses. Mr. Signer stated that what this also does not capture was non-regional City programs, both capital and operating, that are used substantially by County residents. He said that the City has one of the most generous park programs in the state at \$10 to \$11 million per year, and he heard in the past year that statistics showed the majority of people are County residents.

Mr. Signer stated that another source of confusion to County constituents was that the dollars are fungible, as the City forewent revenue by not doing annexation and those properties have grown and changed over time. He said that the revenues go into the City's general fund and are not put into a separate revenue pool, so this was an indication that the City was committed to providing more services than if it were not committed to regionalism. Mr. Signer commented that the legislation seems to be only regional programs and it seems the City could provide more information going forward that may not be mandated by the law but would still be helpful in showing that the City is committed to providing a rich set of regional benefits, in part because of the decision made long ago.

Ms. Mallek said that she would add some history, as many of her constituents were here before the referendum passed and the largest percentage of people who are concerned about this have moved here in the last 10 years and could not comprehend it. She stated that everyone who voted on the referendum assumed it was part of the operation, which said it was to be used for the benefit of County residents also. Ms. Mallek added that recently, the new interpretation has been that since it was not in the three pages signed, they do not have to pay any attention to it anymore, but it is still real to the people who voted. She emphasized that this was not going away, and people in her district have gone around her and have gone straight to the legislature.

Ms. Palmer said that she appreciated Mr. Signer's suggestions and she would like to see them again, although it would be wonderful to open up the conversation to figure out where they can improve

and work together, which may not be the whole amount, but could be small things they get started on to help both communities.

Ms. Galvin asked if the County could provide specific examples of projects they were thinking about. Mr. Gallaway stated that the City gets its revenues, budgets, and moves on. He said that they disclose the revenue-sharing amount, then it all gets into a big lump sum, then they go do their budget. He said that when he hears about uses of money that the revenue-sharing amount goes towards, it helps the County explain to residents where the money goes and how it is spent using some kind of accounting tracking. Mr. Gallaway noted that he does not expect the City to parse that out, but if they could take the \$15,855,000 and say that is where the dollars went, that was a budgeting decision on the City's part in explaining where the revenues are spent. He said that the statute now says that the City has to say how the money was being used, and for him it is an accounting track. Mr. Gallaway stated that it is not in his realm of responsibility to suggest to the City how they justify the expenditure of it, but he needs to be able to explain to County constituents how that \$15 million was being spent.

Ms. Galvin asked if what was presented does not provide any of that for him. Mr. Gallaway responded that it shows \$53 million as a total.

Ms. Galvin said that it shows the share of housing and employment programs, for example. She added that she needs some specificity. Mr. Gallaway stated that County residents would like to see "an itemized receipt" of where the \$15 million went, and if it were him, he would find programs that benefitted both localities' residents. He said that this does not put any kind of control on the City but just asked for an accounting tracking of the money working through the budget.

Ms. Hill said that she would also like to understand what revenues the City has foregone as part of the agreement, as it is part of educating the public as to why the agreement came to fruition.

Mr. Gallaway commented that he was fine if the City wants to go with that, and there was a philosophical debate about the ramifications of the revenue-sharing agreement. He said he tried to explain to his constituents how much the County sent over and how it was spent, and whether they are happy with it or not was not part of the conversation. Mr. Gallaway stated that County residents would like to hear specifics such as regional transit, parks and rec amenities, and other shared services, although that would require a different level of accounting. He added that philosophical debates about what is foregone could be an educational or theoretical conversation, but he just wants to be able to say what the \$15 million was going to.

Ms. Palmer stated that she wants even more than that, as the issue for her was having the City and County work together on issues in a more collaborative way. She said that TJPDC did a study on all the places around the City-County boundaries where they need trails, sidewalks, etc., and she had mentioned the section of Old Lynchburg Road Extended, as the County was currently working on a plan to get a walkway under I-64. Ms. Palmer commented that it would be great if the City put a sidewalk down to Azalea Park and a crosswalk over to their trail, so if they could go beyond the accounting and help residents in both localities see project coordination and the benefits to collaborative improvements such as reduced traffic. She emphasized that her goal was not necessarily the legislation and what they are getting out of it, but the conversation they are having to try to solve some of the transportation issues on the periphery.

Ms. McKeel commented that any discussion around the "lost revenues" would be based on hypotheticals, and it would be difficult to assess that because while the County was reaping revenues from those parcels, it was also providing more services. She stated that the County would like more help in delineating the revenue-sharing money and how they can best describe to constituents how it was helping them.

Mr. Gallaway stated that he does not want to tell the City how to program its money; all he was asking for was a better accounting, in the spirit of having to explain where the funds were allocated.

Ms. Galvin asked for clarification that Board members want to see where City money has gone to specifically create an improvement or investment in the County's jurisdictional boundary. Mr. Gallaway responded that he has not gone to that level of distinction, but he said he would like to see an itemized receipt of how the \$15 million was spent, wherever it is.

Ms. Galvin asked if that was a CAT route that traveled mainly in the County. Ms. Mallek responded that the County already paid for that separately.

Ms. Galvin clarified that the routes go in and out. She said that they could keep going back and forth with the interpretation of what is wanted, and she was not sure what he meant.

Mr. Gallaway said that it seems she wants him to pick the projects to rationalize how the City spent revenue-sharing money, and he was asking for a receipt of it.

Ms. Galvin replied that she thought the City had done that.

Mr. Gallaway stated that they provided a list of \$53.5 million of expenditures.

Ms. Mallek said that this was out of \$300+ million.

Mr. Gallaway commented that if they want to decide how the \$15 million was spent as part of the \$53 million, that was an itemized selection and the level of detail he was hoping to reach.

Ms. Mallek stated that she would be interested in the capital pieces because they are much more regionally beneficial for users and \$15.9 million could leverage \$159 million for capital programs. She said that in thinking about it in those terms, there are many things on the capital list the County is struggling to do, and hopefully those projects would be part of a regional approach.

Mr. Signer stated that because Charlottesville is an independent city that is located physically within the urban center of an independent county, there are many things the City does that benefit County residents, and he would argue that it was because of the commitment to regionalism that stemmed from the agreement. He said that when the City rebricked the Downtown Mall at an expense of \$8 to \$9 million, a lot of County residents work in the mall area, and he wondered if it would be possible to do an accounting of City operating and capital expenditures of amenities used by County residents. He emphasized that this was very different from the data here, but it may be possible, and the City tries to provide a rich set of services for the region, which he felt would far and away outstrip \$15 million in terms of benefits to County residents.

Mr. Signer suggested that perhaps the City needs a more developed policy statement used for their own guidance and how they approach the revenues that come in and how they think about regional benefits, County resident benefits, and so forth. He emphasized that it was misleading to the public to treat \$15 million as a separate, isolated revenue stream because that is not how budgeting is done. Mr. Signer stated that this was difficult but could be done with isolated revenue streams, but that requires enabling legislation. He said that they could explain how they spend at least \$15 million a year to benefit County residents.

Ms. Hill said that she would at least like to generate ideas as to how to look forward, and the first thing that came to mind for her was the Old Lynchburg Road area, as Ms. Palmer mentioned. She added that the County's growth south of town was putting demands on City infrastructure. Ms. Hill stated that the City welcomes the growth and appreciates the housing the growth provides, but it does have real impact on the quality of life of residents that live in the south side of town. She said that housing would come up as an issue later, but the City needs more than the 10.25 square miles for that capacity and would be willing to step up to the plate and help in terms of partnership with land they own that can help them meet those needs.

Ms. Palmer commented that the County has an affordable housing project just on the south side of I-64 that is opening now, and people are just getting their acceptance letters to be able to move in. She stated that those people would need transportation, and there was another large affordable housing complex coming in the same area soon also. Ms. Palmer said there are other issues in the County all around, and she does not want to get in a "pissing match" about who gives more to the other as the County does a lot of things that help City residents and would continue to with projects like Biscuit Run.

Ms. Galvin stated that she agrees.

Ms. McKeel also agreed, stating that the work the two boards are doing with the transit partnership include budgetary impacts, so the transit piece may become much clearer and she was pushing that aside for now. She said that she would like for them to come together now and figure out what this might look like going forward.

Ms. Galvin asked what there was besides the sidewalk at Old Lynchburg Road. Ms. Hill commented that there was more than just the sidewalk, as there was an entire infrastructure area that need to be invested on both sides of the border and there should be no divided line in terms of the population.

Ms. McKeel asked if there was a way they could look at this from the viewpoint of where the line does not matter, such as with parks and rec, bicycle paths, etc., and where they intersect in places citizens do not see that line or where the lines did not count. Ms. Palmer responded that TJPDC could be helpful in delineating those spots.

Ms. McKeel stated that there are certain infrastructure and capital projects.

Ms. Mallek said that Biscuit Run, Hedgerow, and Arrowhead are parks that would be within a mile of the City boundary and would be available by transit, and they would be a great focus.

Ms. Walker asked if there was a percentage they are looking at for systems such as regional transportation and the funding of routes at certain levels, because even with joint projects they would need to determine that. Ms. Palmer responded that it was workable because they have already done it in so many areas. One of the things she observed was the back and forth about the timing of Old Lynchburg Road, as it was in the County's CIP but not the City's. She stated that getting the two staffs together may be helpful in aligning those timelines and projects better, fostering better collaboration.

Mr. Dill stated that they do a lot together already and he supports that, but his concern was that taking the revenue-sharing agreement, which goes back to the annexation agreement, and it seems they are trying to "do a public relations campaign" as to what the money was going for. He said that while they should emphasize their goals and point out they are trying to make life better for everyone regionally, it ultimately comes down to the annexation agreement, which was a legal agreement. At the time the

agreement was made, everyone decided it was a good deal, and he worries about trying to figure out what that money should be used for.

Ms. Palmer stated that they are talking about working collaboratively together to get something out of this, and public relations would just be a side benefit, but it helps both City and County residents and could be demonstrated as such.

Ms. Walker said that both of the agreements have a dollar amount or an estimate, but she does not know what they are and would like to see them. Ms. Palmer responded that she does not recall offhand, but there have been some exhaustive studies done.

Ms. Galvin stated that the Free Enterprise Forum has done a study.

Ms. McKeel clarified that that study only showed the revenues, not the services being provided, so if they are going to go there, and she was not sure she wanted to, they could show it was a negative for the County based on the services provided. She emphasized that they need to think about where they are now and move forward.

Ms. Walker stated that part of moving forward would be only having the discussion of projects and priorities, versus asking for a receipt for where revenue-sharing dollars are going.

Ms. Palmer pointed out that there was legislation in place now that required them to do that, but that could just be the catalyst that brought them together.

Mr. Richardson stated that at the staff level, both with the City and the County, there was never enough money to reach as far down on the priority list as desired. He said that Ms. Palmer's points about timing of projects are relevant, as something may be lower on the City's list that they are able to get to, and the County may have something high on its list. He added that these policy-level discussions may lead them to have more staff-level discussions about priority shifting in a collaborative context.

Mr. Signer noted that the whole point of the MOUs was to lay down some track for greater degrees of cooperation and synchronization as a region, understanding they are separate bodies and perhaps, with more discussion, there could be another MOU that would be about synching budgetary cycles and would encourage staff collaboration.

Ms. Palmer said that a conversation emerging from that would be a benefit the County receives from the revenue-sharing agreement.

Mr. Murphy commented that he hopes they do not lose the thread about the existing collaboration, including the prioritization during budget time and talking about capital programs, agency funding, etc. He stated that staffs in departments like social services and parks and rec are talking to each other every day, and when people move they do not know where the City/County line is. He does not want to lose sight of the fact that there are many operational impacts and relationships that are active daily that are positive. He added that he and Mr. Richardson want to provide the best report possible, next year or sooner, and while the legislation asks for a receipt, they might disagree as to whether it needs to be an itemized receipt. Mr. Murphy stated that there is a lot of value in the list and they could include both sides' perspectives, but he heard from Ms. McKeel and others that it was time to focus going forward.

He commented that it was easy enough to determine what County spending is on projects, and there are places where they know that fairly well and could document it but other places it will not be as simple. Mr. Murphy said that when they get into use of infrastructure, it may be difficult to ascertain and the City may not accomplish the County's objectives. He stated that the meeting between the two bodies may not be just a once a year meeting, and more frequent interactions would allow the kind of prioritization the Mayor and Vice-Mayor are talking about. Mr. Murphy said that in addition to Old Lynchburg Road, the County likely has an interest in the intersection of Broadway and Woolen Mills. He added that he wants to enhance their collaborative efforts and suggested that they talk quarterly or in six months, instead of trying to figure this out in a year.

Ms. McKeel agreed with a more frequent meeting, and once a year is not enough for dialogue.

Mr. Gallaway stated that his district borders quite a bit of the City, and he hears a lot from his constituents about their desire for collaboration as one region, but he does not get a lot of feedback about revenue sharing. He said that an "itemized receipt" may not have been the best choice of words, but if the Board does not have specifics as to where the \$15 million goes, residents start making up where it goes. Mr. Gallaway emphasized that the greater the information provided, the easier it is for people to accept because otherwise it does not seem trustworthy and that is what the Landes' bill was about. He understands that it is up to the City how they program the money.

Ms. McKeel concurred, noting that City Council would probably be amazed at the emails she has received regarding where constituents think the dollars are going. She asked if Council could at least agree on another meeting.

Ms. Galvin stated that she would like to have another meeting but would like to define the parameters for it, particularly focusing on areas at the City/County borders where there are joint planning and capital investment benefits.

Ms. McKeel suggested asking Mr. Engel, Mr. Johnson, Mr. Murphy, and Mr. Richardson to come back to the two boards with thoughts on the next meeting.

Ms. Palmer said they could talk to Mr. Chip Boyles of TJPDC and see what regional issues might be relevant.

Ms. Galvin commented that it was more than just an economic development issue.

Ms. Hill stated that the next meeting should also focus on neighborhood development.

Ms. Galvin said that it was really community development, adding that they talked a lot about sidewalks.

Ms. McKeel agreed, noting that they also mentioned parks and rec.

Ms. Hill stated that their conversations today already brought some focus areas to light.

Mr. Signer stated that there may be a way of bringing the best parts of the conversation into the budgeting process, and he believes it was misleading to the public to follow the premise that this was separate revenue spent dollar for dollar on specific programs over another because that is not how general fund revenue works. He said that it was really a matter of explaining it, but they could include in their budget process a more explicit discussion of revenues that benefit County residents and foster regionalism. Mr. Signer noted that perhaps this would require a more developed statement of principles, and it could possibly need another meeting.

Mr. Murphy commented that the ideal timing of the next meeting would be the end of January or beginning of February, before they get into their March budget sessions.

Ms. McKeel said that it was possible that this could lead to an MOU around revenue sharing.

Ms. Palmer stated that if they start looking at capital projects where they are timing and working together in a way in which she can go out to her constituents and talk about collaborative projects with the City, she feels it is a direct benefit of a revenue-sharing agreement that pushes them to work together more than if they did not have it. She said that she thinks she could clearly make the case to people that it was related.

Mr. Richardson commented that unless either Board or Council needs to continue the discussion, there is a working lunch provided for them, and he suggested that they break.

Recess. The Board and Council recessed their meeting at 11:49 a.m. and reconvened at 12:18 p.m.

Note: Mr. Randolph arrived at the meeting at 12:01 p.m.

Agenda Item No. 4. Memorandums of Understanding:

Item No. 4a. Reports:

- Transportation.
- Education.
- Environment.
- Redevelopment and Affordable Housing.
- Economic Development.

Item No. 4b. Overview of City's Affordable Housing Work.

Item No. 4c. Overview of County's Affordable Housing Work.

Mr. Murphy stated that the plan he and Mr. Richardson had for this part of the meeting was discussing the updates to the existing MOUs, which were already provided to Board and Council. They would start by entertaining questions about education, environment, or transportation. He noted that there were subject matter experts from the City and County in the audience. He said that most of the conversations would focus on affordable housing, which he and Mr. Ron White of the County would discuss.

Ms. Mallek commented that they are very energized about climate change and investments for the first time with real dollars.

Ms. McKeel said that they may want to come back at some point and look at the regional transportation partnership work and updating that MOU. Mr. Murphy responded that he and Mr. Richardson have discussed it and thought they were not quite ready to discuss it yet, but it might be a focus for a future meeting.

Ms. McKeel stated that while it seems the partnership has been meeting for a year, they really only meet every other month. She said that they agreed as of January to begin meeting every month because they still have a lot of work to do, and it would be great to have a joint Board-Council meeting with a report from the partnership.

Ms. Galvin said that she also serves on the RTP and it would be great for them to have a meeting as a target date to pull together all the things they are finding, along with recommendations and policy ideas. She stated that they had a very good strategic planning exercise and have come up with a good assessment of the existing system and are moving forward with various initiatives to be recommended to the full body. Ms. Galvin added that having a meeting of the full team would provide some definition and a timeline.

Ms. Galvin commented that the Rio Road/Route 29 Small Area Plan process, which she and Ms. McKeel has been a part of, was an example of what could happen at their borders when there was a joint mission of improved transportation, affordable housing, and maintaining a high quality of life. She said that more of those kinds of initiatives would feed into what their discussion, before lunch, was all about.

Mr. Randolph stated that he sent Mr. Sean Tubbs an email in July 2017, following information developed from a joint meeting of the Planning Commissions of the City and County to discuss affordable housing on January 25, 2017 at the TJPDC. He said there was agreement that a one-size-fits-all approach to affordable housing, new construction versus rehab, would not work for the City and the County because of their differing goals. He stated that the City has a commitment to build 400 new affordable housing units a year, balanced with limited availability of land. He stated that a transportation-centric and government-centric approach might work best for the City, whereas a joint public-private approach utilizing nonprofit housing organizations might be ideal for the County.

Mr. Randolph said that as they talk about affordable housing under the rubric of regionalism, provided as a resource by the TJPDC, it was important for them to recognize that they are going to operate based on different needs and objectives but overall, the goal should be to try to satisfy the strategic needs regionally, with each party doing what they do best. He commented that there was growth that could come from learning from each other, and their goals are the same although their approaches may be different.

Mr. Gallaway said that the Board learned at its October 3, 2018 meeting that better data was going to be available in terms of ridership, which would be required to figure out for both jurisdictions how to make transit work better and provide the service in more enhanced ways.

Ms. Palmer commented that she and Ms. Galvin both sit on the Rivanna Solid Waste Authority Board, and they have been discussing starting a composting facility with UVA on the Ivy Landfill property. She stated that she hopes they would be able to reach an agreement that both boards would support so they could pay for that endeavor, as UVA would be contributing substantially.

Ms. Galvin suggested reporting out at their next joint meeting, noting that composting has held a high community goal for many years.

Item 4b. Overview of City's Affordable Housing Work.

Mr. Murphy reported that the City has considerable history with affordable housing. There was some data indicating the need for approximately 4,000 more units between now and 2040. He stated that there have been discussions in recent work sessions regarding significant investments from the capital program in facilitating that growth, with figures being discussed that are as high as \$50 to \$120 million. He said they have a long history of the Charlottesville Housing Fund, and currently the City is contributing about \$4 million in each of the next five years, but that amount needs to be considerably more to meet their goals and the growth in housing units.

Mr. Murphy stated that the housing goals the City has had for some time were to increase from about 10 percent in subsidized affordable housing to 15 percent, and that stock has stayed at the lower figure since the goal was established. He added that it was only through the City's considerable investment that it has been able to stay at that level, and they have had to invest in a position as well as participating in a housing advisory committee. Mr. Murphy said that they recently discussed the composition of the group and how it might evolve over time and be reconsidered, particularly with their current discussion, as the County could possibly have a role on the committee.

Mr. Murphy reported that the projects typically supported out of the CHF have been those with the nonprofit community, so there are many tools in the toolbox and support of nonprofits such as Habitat for Humanity, AHIP, PHA, Virginia Supportive Housing, etc. He said that on the policy side, they are in the midst of advancing their Comprehensive Plan and would be providing a review of and changes in zoning and the Strategic Investment Area south of downtown and would provide an opportunity for form-based code. He stated that staff has presented to Council several times on a land bank mechanism, and he anticipates that they would revisit it in the next four to six weeks. Mr. Murphy noted that there were some other policy-side tools being considered by the City Attorney's Office, and those would be presented to Council.

Mr. Murphy said that City staff was involved with a grant from the Charlottesville Area Community Foundation, and it involves the Public Housing Association of Residents and the Charlottesville

Redevelopment and Housing Authority (CRHA) on the engagement piece of redevelopment; working with Enterprise Partners in that regard. He noted that it had more than one bump in the road but was hopefully reenergizing now. He reported that the two biggest pieces of affordable housing in the City were the operations of Friendship Court and the CRHA, both of which are currently talking about major redevelopment. He said that he and Ms. Galvin sit on the redevelopment committee for Friendship Court, and currently that project looks at growth from 150 to 450 residential units, with the inclusion of an early child care, early education center and some commercial/retail on the 2nd Street side. Mr. Murphy noted that the City has funded some planning dollars for this, but there was a bigger capital ask pending and they would be considering how the City might help them leverage for the project which would involve PHA competing for low-income tax credits (LITC) at \$6 million to \$7 million and would also blend other funding streams.

Mr. Murphy stated that the CRHA operates the City's voucher program, administering the vouchers out of the Department of Social Services instead of the Housing office, and they also operate 376 units of public housing, which is outside of anything the County does. He said that the public housing program was looking at redevelopment, and they have recently been through an RFP process; looking first at prioritizing a project on South First Street, and at the Avon/Levy site slated for future redevelopment.

Mr. Murphy reported that the Housing Authority has just over 40 total acres of land assets, and one of the issues has been not having enough funding to leverage redevelopment. He stated that there have been considerations from the federal government in the past to look at programs like the Rental Assistance Demonstration (RAD) grant, but the City is not a part of that process and there would need to be other funding streams for redevelopment. He noted that this spawned a significant ask from the Housing Authority and low-income housing coalition, with numbers being discussed in the range of \$50 million. He said that the City Manager's side does not have \$50 million, but there would be a way to make significant investment in those projects.

Mr. Murphy stated that it was not just about sticks and bricks on the affordable housing side, and there are a lot of the investments both localities make in programming: homelessness, workforce initiatives, low-income services, social workers in schools, City of Promise, the nursing clinic at Westhaven, PRHA support, etc. He said that as the City talks about the 2020 budget, this was a top priority, and they have 10.4 square miles to work in, with people in affordable housing moving back and forth between the City and County.

Mr. Gallaway commented that the switching of students from City to County schools would benefit from stabilization, as it has a significant impact on service costs. He added that it may be possible for students to stay in the same school.

Ms. McKeel said that years ago, they discussed how to keep the support services the same even if the students move from district to district, as it was very disruptive. She stated that the profile in the urban ring has dramatically changed over the years, and this was evident in the schools.

Mr. Gallaway said that there was also movement within County schools and City schools independently.

Ms. McKeel commented that one of the things they discuss with the Regional Transit Partnership is having better transit connections if affordable housing is spread out, noting that she learned of a person who lives at University Heights on Ivy Road and has to take seven buses round trip to take a job on Route 29 North. She said that some of partnership was about getting them together to figure this out.

Item No. 4c. Overview of County's Affordable Housing Work.

Mr. Ron White, Chief of Housing, reported that County's affordable housing goal is 15 percent within developments going under redevelopment or special use permit, and for years they used proffers to enforce that goal. Mr. White said that since they cannot use proffers anymore, they still have the policy in place but it was limited on how to do compliance with the exception of tying it to site plans and codes of development. He stated that the regional approach includes a regional housing study and partnering with nonprofits, many of which are the same for the City and County, including funding through the ABRT process.

Mr. White presented a slide that showed a snapshot of for-sale housing that illustrates a significant challenge the County has. He said that within the 10 CAAR realtor's jurisdiction in the fourth quarter of 2017, the median home sales price was \$300,000, compared to \$410,000 in Albemarle and that also affects the rental market, potentially increasing the demand for rental units.

Mr. White reported that the County Housing Office was part of the steering committee at the TJPCD to work on a regional housing study, which would include Albemarle and the other planning district jurisdictions. He said that for Albemarle, they would do a bit more in-depth review, focusing on the urban growth areas around the City as well as the rural areas. He stated that 95 percent of the County was rural area, and the issues with affordable housing are much different than those in the urban areas, where the majority of the population lives. Mr. White said that they are expecting phase one to start October 1, and he and Mr. Boyles met with the consultant about a week ago.

He stated that phase one was data analysis, with that data to be reported and reviewed, followed by a second phase that includes visioning, setting strategies, and looking at policies within localities to determine what needs to be changed. He noted that while they are planning to use focus and stakeholder groups in the first phase, the second phase includes visioning and would rely heavily on public involvement. Mr. White said the County has not updated its current policy, which was done in 2004, and they do not have proffers to use anymore. He said they want the analysis to be used as a basis for revisions to the current policy.

Mr. White stated that the most important thing they do on a daily basis is work with both the nonprofit community, including PHA, Habitat for Humanity, and AHIP, and a project discussed recently involving preservation of affordable housing. He said that they also support the for-profit community in creating affordable housing, with a density bonus used a few times recently after not being used for a number of years, creating about 25 affordable units in the 5th Street Apartments. He noted that they also support use of LITC projects when they come in, and until changes in the tax code that decreased the value of tax credits, the support was generally in working with developers to get them to the point they were competitive in the tax credit applications. He said that they have also supported projects utilizing mixed-income financing from the Virginia Housing Development Authority (VHDA), and those projects have a requirement of 20 percent set aside of affordable housing, so it requires a County resolution that without this type of financing, it was likely the project would not be built.

Mr. White reported that in the past year, working with the private sector, they utilized the value of increasing taxation on a property and worked with the EDA to develop a performance agreement between a developer of a 96-unit LITC project. He explained that this was to fill the gap between the value of the tax credits at the onset of the project and the value when it was ready to go to construction. He recognized Mr. John Blair for his work on the performance agreement, which took about six months.

Ms. Palmer commented that the reason the project was of interest to the County was because it was 60 percent AMI and it was a rental. Mr. White responded that it provided the opportunity to get 96 units restricted to 60 percent area median income (AMI) for 30 years, which was hard to pass up, as was the value of the tax credits and the equity outside investors are bringing to the County, which was a huge economic impact in return. He stated that this was a \$20 million deal with about \$11 million coming from equity investors.

Mr. White said that like the City, the County relies on partnership with nonprofits and this was moving more into for-profit partnerships, as it provides incentives.

Ms. Walker asked about the 5th Street Apartment units and whether they are 60 percent AMI. Mr. White responded that they are rent restricted at the fair market rent, and there are approximately 200 units in the development.

Ms. Walker asked if there has been a partnership project with the City and County from planning to development, with a shared number of units for affordable housing. Mr. White responded that The Crossings was the only project he was aware of, and that provided vouchers to individuals, with the County providing 9 vouchers and the City providing 21.

Ms. Walker asked if there was interest in a partnership from every stage of development, because the County has land and it would be impossible for the City to move forward without a true partnership. Mr. Randolph commented that this was a good point and an important aspect of the TJPDC regional approach as they could not solve the problem of affordable housing as individual localities. He stated that regionally, they have a problem with surrounding counties because of people that commute in from those areas and cannot afford to live in Albemarle or Charlottesville, and the challenge has been trying to work on these relationships while addressing the complexities of transit, schools, housing, etc.

Ms. Palmer stated that everything should be on the table, and as they go forward trying to figure out where affordable housing needs to be and make sure it is related to transportation. She reiterated that they should be looking at partnerships.

Ms. McKeel said that the Supervisors have all agreed that they need a different approach with affordable housing, if they are going to make any progress.

Ms. Hill asked if the County has earmarked dollars for affordable housing. Mr. White responded that the Board appropriated one-time money to a fund last fiscal year, but he was not sure if that would be ongoing.

Ms. Hill stated that many nonprofit partners providing services to the City and County participated on the affordable housing committee, which Mr. White also attended, and they would benefit from a more active presence from the County.

Mr. Randolph said that this would help each locality understand the role of nonprofits in their jurisdictions. He added that in terms of a fund, they cannot look just at their commitment to affordable housing because the County has done things through other vehicles such as the EDA. He added that it is not all in one fund that can easily be identified, nor does he think they have ever looked at all the ways they are supporting affordability of housing in the County. During the Board's October 3 discussion on revitalization of the urban areas with affordable housing, which arose as one of the highest priorities, it was realized that the work could not be done in the urban ring without addressing, keeping and ensuring safe healthy affordability.

Ms. Galvin stated that the regional housing assessment being done was being patterned after the City's and was using the same consultant, but to her knowledge, the City was not involved with the vision and setting strategies, including looking at policies and recommending changes. She said that City Council just approved a \$200,000 initiative with the Housing Advisory Committee to do that, and she does not understand why they are not involved in the regional effort.

Ms. Palmer suggested that Mr. Gallaway attend the City's group as Ms. Hill mentioned.

Ms. Walker stated that perhaps they should create a partnership that would focus on affordable housing, similar to what they did with the Regional Transit Partnership.

Mr. Chip Boyles, Executive Director, TJPDC, stated that this was a great idea. He added that at the TJPDC's September meeting, they approved a regional housing partnership on which all local governments have a position, including nonprofit representatives and elected officials. He explained that they are scheduling their first meeting and are asking jurisdictions to appoint members, as Mr. Gallaway has been. Mr. Boyles commented that the partnership was to address housing as a whole in the region; the TJPDC believes that affordable housing is dependent on the availability/non-availability of market-rate housing. He said that one of the activities of the partnership would be to help direct phase one and phase two of the housing study, and they are connected but are also separate things, with the committee to continue after the study is done. Mr. Boyles stated that the list of stakeholders was extremely long, and there are 20 people just in the immediate circle, so there would need to be an executive committee to do the "heavy lifting."

Ms. Mallek commented that in the urban ring and rural areas, there are a lot of small affordable houses and residents could afford to stay there as long as they are not taxed out, as this could result in them having to move into supported housing.

Mr. Boyles commented that a very successful project of the Small Area Plan around Hydraulic, between the City and the County, has been completed and the consensus in that plan was to jointly develop affordable housing within that 600 acres, which included 100 acres already paved that could be used for housing that was beneficial to both entities. He emphasized that this site was on major transportation lines and easy access to shopping and jobs.

Ms. Palmer stated that there was a good bridge project that could go into their shared projects category.

Mr. Randolph said that he recently participated in a webinar on highly affordable, modular solar units, which cut down on environmental impact and can actually generate electricity into the grid. He stated that the reality is that the annual operating costs and out-of-pocket expenses for residents drops dramatically for inhabitants. He said that AHIP does a wonderful job, but it was hard to tear out an entire house and rehabilitate it for a lower operating cost. Mr. Randolph commented that there may be zoning restrictions currently in their codes that prevent them from permitting creative solutions to affordability.

Ms. Galvin stated that she would still like to address the point that the City was not participating in phase two of the regional housing assessment, and asked if they would agree to have Mr. Murphy discuss their participation with Mr. Boyles.

Ms. Hill agreed, noting that the City's housing strategy would likely proceed way ahead in terms of timeline.

Ms. Galvin emphasized that at the very least, the efforts need to be coordinated, and she wished they had known about this earlier.

Mr. Signer commented that the City has identified a reach goal for several thousand units, which is almost impossible given physical and financial constraints within their 10.4-square mile perimeter. He stated that perhaps the City can start out with ways to involve the County in that goal, then bring those recommendations forward.

Ms. Mallek said that they would need an update from Mr. White and staff about the two funding streams and statutory parameters for both jurisdictions, as they learned several years ago that there are categorical limitations preventing them from funding together.

Ms. McKeel pointed out that although the County has more than 700 square miles of land, there was a small development area and large rural area and there was not lots of land at their disposal to use for affordable housing. The County was struggling to find land for economic development purposes.

Ms. Mallek mentioned that in 1980, they downzoned from 55,000 rural lots to 20,000, in an effort to protect the watershed.

Ms. McKeel commented that the County was currently struggling to find a site for a new elementary school. She spent two years trying to find a small piece of property for a Boys and Girls Club in the urban ring.

Ms. Palmer said they want the affordable housing in the development area because of transportation needs, and that only comprised 5 percent of the County's total land.

Mr. Dill emphasized that the County's development area is three times as big as the City's.

Ms. McKeel stated that the land does not belong to the County.

Ms. Galvin commented that the development area in the City was 30 to 40 acres, and both jurisdictions are looking at repurposing land, with neither having greenfield sites in the growth area anymore. She said that working together on strategies to repurpose gray field and brownfield sites like Hydraulic would be very important.

Ms. McKeel noted that the Opportunity Zones might provide some options.

Mr. Randolph mentioned that the expansion of the growth area sparked controversy and opposition within the community, so when they look at expanding the development area, it was a polarizing issue in the community that carries a high economic and political cost. He said that they are better off looking at land within the development area, and that lends itself to better collaboration with the City because of the proximity to each other's jurisdiction.

Mr. Murphy commented that possibly the University of Virginia should be brought into this discussion.

Ms. McKeel noted that UVA employees are among those needing affordable housing.

Ms. Mallek pointed out that the County has converted some light industrial properties to residential zoning, and it was important now for them to encourage the employment and manufacturing sides so they have the money needed to support affordable housing and other initiatives.

Ms. Hill stated that she would like to bring these items up at Planning and Coordination Council (PACC) meetings, and it seems they are having trouble and are repeating ideas.

Ms. McKeel said that this was the perfect time to make changes, given new leadership at UVA, and she agrees with Ms. Hill's assessment.

Agenda Item No. 5. Final Comments/Follow Up/Next Steps.

Mr. Gallaway announced that the MPO is holding a transportation open house on October 17, 2018, 5:30 p.m. to 7:30 p.m., at the 407 East Water Street location. This is a chance for the public to speak to the long-range transportation plan, and the bike and pedestrian plan.

At 1:21 p.m., Ms. Walker adjourned City Council.

Agenda Item No. 6. Adjourn to October 10, 2018, 2:30 p.m., Lane Auditorium.

There being no further business, at 1:21 p.m., Ms. Mallek adjourned the Board to October 10, 2018 at 2:30 p.m. in Lane Auditorium.

Chairman

Approved by Board
Date 05/01/2019
Initials CKB