



City of Fredericksburg, Virginia

City Council

AGENDA

Council Chambers

715 Princess Anne Street

Fredericksburg, Virginia 22401

Hon. Mary Katherine Greenlaw, Mayor
Hon. Charlie L. Frye, Jr., Vice-Mayor, Ward Four
Hon. Kerry P. Devine, At-Large
Hon. Matthew J. Kelly, At-Large
Hon. Jason N. Graham, Ward One
Hon. William C. Withers, Jr., Ward Two
Hon. Timothy P. Duffy, Ph.D., Ward Three

October 13, 2020
7:30 p.m.

Mary Katherine Greenlaw, Presiding

The City Council Meeting will hold an e-meeting pursuant to and in compliance with City Council Ord. 20-05. The public is encourage to access the meeting though the broadcast on Cox Channel 84 and Verizon Channel 42. The meetings can also be viewed on our www.regionalwebtv.com/fredcc or accessed through Facebook at www.facebook.com/FXBGgov

Call To Order

"This Meeting is being held electronically by "Go to Meeting" application, pursuant to City Council Ordinance 20-05, An Ordinance to Address Continuity of City Government during the Pendency of a Pandemic Disaster.

The members participating are: [List members by name]

Members of the public have been invited to access this meeting by public access television Cox Channel 84, Verizon Channel 42, online at www.regionalwebtv.com/fredcc or accessed through Facebook at facebook.com/FXBGgov

2. Invocation

Councilor Matthew J. Kelly

3. Pledge Of Allegiance

Mayor Mary Katherine Greenlaw

4. Presentations

A. National Arts & Humanities Month Proclamation – Mayor Mary Katherine Greenlaw

Documents:

[4A NATIONAL ARTS AND HUMANITIES MONTH PROCLAMATION.PDF](#)

B. Rappahannock Area Health District – Dr. Denis Bonds, Acting Health Director

C. Fredericksburg Regional Alliance Update – Curry Roberts, President

D. Transmittal Of Housing Plan

Documents:

[5D HOUSING PLAN TRANSMITTAL.PDF](#)

5. Public Hearing

Citizens who wish to participate in the public hearing will be able to send their comments in writing by (1) dropping them in the Deposit Box at City Hall, (2) U.S. Mail, (3) through a form on our website <HTTPS://WWW.FREDERICKSBURGVA.GOV/677/PUBLIC-COMMENT> or (4) email to the Clerk of Council. Comments must be received at least one hour in advance of the meeting – for example, comments will be accepted until 4:30 p.m. on nights with a 5:30 work session. The plan is to read these comments out loud during the public comment portion of the City Council meeting. The standard rules apply to public comments: the person must identify himself or herself by name and address, including zip code, limit his or her remarks to 3 minutes or less (read aloud), and address a topic of City business.

6. Comments From The Public

Citizens who wish to participate in the public comment period will be able to send their comments in writing by (1) dropping them in the Deposit Box at City Hall, (2) U.S. Mail, (3) through a form on our website <HTTPS://WWW.FREDERICKSBURGVA.GOV/677/PUBLIC-COMMENT> or (4) email to the Clerk of Council. Comments must be received at least four hours in advance of the meeting – for example, comments will be accepted until 1:30 p.m., on nights with a 5:30 p.m. work session. The plan is to read these comments out loud during the public comment portion of the City Council meeting. The standard rules apply to public comments: the person must identify himself or herself by name and address, including zip code, limit his or her remarks to 3 minutes or less (read aloud), and address a topic of City business. Public comments are limited to a total of 40 minutes, with priority for comments from City residence or businesses.

7. Council Agenda

8. Consent Agenda

A. Resolution 20-___, Directing The City Manager To Implement Pay Changes

Documents:

[5A PAY CHANGES.PDF](#)

B. Ordinance 20-21, Second Read, Expanding The Arts & Cultural District, And Extending Tax Incentives, Up To \$250 Per Year, To Ten Years For All Qualifying Businesses In The District

Documents:

[5B ARTS -CULTURAL DISTRICT.PDF](#)

C. Ordinance 20-___, First Read, Amending §54-19 Of The City Code To Raise The Threshold Of Petit Larceny

Documents:

[5C PETIT LARCENY.PDF](#)

9. Minutes

A. Work Session – June 9, 2020

Documents:

[9A 6-9-20 WORK SESSION MINUTES.PDF](#)

B. Work Session – June 18, 2020

Documents:

[9B 6-18-20 WORK SESSION MINUTES.PDF](#)

C. Work Session – June 23, 2020

Documents:

[9C 9-23-20 WORK SESSION MINUTES.PDF](#)

D. Public Hearing – September 22, 2020

Documents:

[9D 09-22-20 PUBLIC HEARING MINUTES.PDF](#)

E. Regular Session – September 22, 2020

Documents:

[9E 09-22-20 REGULAR SESSION MINUTES.PDF](#)

10. Boards And Commission Appointments

- A. Fredericksburg Clean & Green Commission Appointment – Sarah Hurst

Documents:

[10A.PDF](#)

- B. Fredericksburg Arts Commission Appointment – Alma Withers

Documents:

[10B.PDF](#)

11. City Manager Agenda

- A. Resolution 20-___, Granting A Special Exception For Residential Density For The “Hanover House” Development At The Corner Of Sophia Street And Hanover Street In Downtown Fredericksburg

Documents:

[11A HANOVER HOUSE.PDF](#)

- B. Resolution 20-___, Granting A Special Exception To Permit A Duplex Dwelling At 315/317 McKinney Street

Documents:

[11B MCKINNEY DUPLEX.PDF](#)

- C. Resolution 20-___, Granting A Special Use Permit For Crown Trophy, A Retail Sales Establishment At 1529 Olde William Street

Documents:

[11C CROWN TROPHY.PDF](#)

- D. Resolution 20-___, Initiating Amendments To The Unified Development Ordinance, §72-32.2, Commercial Downtown District, §72-40.2, Use Table, §72-41.2 Institutional Uses, §72-53.1 Off-Street Parking And Loading, And §72-84 Definitions, To Modify The Commercial Downtown (CD) Zoning District Regulations To Permit Additional Project-Based Residential Density, Clarify Rules For Mixed-Use Projects, And Update Permitted Uses

Documents:

[11D UDOTA CD.PDF](#)

- E. Ordinance 20-___, First Read, Amending City Code §10-333 To Adjust Appointment Procedures And Membership Qualifications For The Fredericksburg Planning Commission To Allow For Staggered Terms And Reduce The Number Of Planning

Commission Members Who Are Required To Own Real Property

Documents:

[11E PLANNING COMMISSION TERMS.PDF](#)

- F. Ordinance 20-___, First Reading, Authorizing Remote Participation Policies For In-Person Meetings During The COVID-19 Pandemic; Providing For Continuing Public Access To, And Participation In, Public Meetings

Documents:

[11F REMOTE PARTICIPATION.PDF](#)

- G. City Manager's Update

Documents:

[11G CITY MANAGER UPDATE.PDF](#)

- H. Calendar

Documents:

[11H CALENDAR.PDF](#)

12. Adjournment



PROCLAMATION
National Arts & Humanities Month
October 2020

WHEREAS, the nation's 120,000 nonprofit arts organizations, the National Endowment for the Arts, the National Endowment for the Humanities, the nation's 4,500 local arts agencies, and the arts and humanities councils of the 50 states and the six U.S. jurisdictions celebrate this month.

WHEREAS, the arts and humanities embody much of the accumulated wisdom, intellect, and imagination of humankind;

WHEREAS, the arts and humanities enhance and enrich the lives of every American;

WHEREAS, the arts and humanities play a unique role in the lives of our families, our communities, and our country;

WHEREAS, cities and states, through their local and state arts agencies and representing thousands of cultural organizations, and celebrate the value and importance of culture in the lives of Americans and the health of thriving communities during National Arts and Humanities Month for several years;

WHEREAS, the humanities help diverse communities across the United States explore their history and culture with the support and partnership of the National Endowment for the Humanities.

WHEREAS, the Arts and Culture industry also strengthens our economy by generating \$166.3 billion in total economic activity annually, \$27.5 billion in government revenue, and by supporting the full-time equivalent of 4.6 million jobs;

WHEREAS, the creative economy drives tourism and commerce, supports American workers, and makes up 4.5% of the annual GDP, proposed federal legislation titled The CREATE Act (S. 650 and H.R. 1519) and The PLACE Act (S. 3232) would support economic development of the creative economy.

NOW, THEREFORE, BE IT RESOLVED, I Mary Katherine Greenlaw, Mayor of the City of Fredericksburg, on behalf of the City Council do hereby call upon our community members to celebrate and promote the arts and culture in our city and nation and to specifically encourage the greater participation by those said community members in taking action for the arts and humanities in their towns and cities throughout the country, and proclaim October as,

National Arts & Humanities Month
In the City of Fredericksburg

Mary Katherine Greenlaw, Mayor
Fredericksburg, Virginia



MEMORANDUM

TO: Timothy J. Baroody, City Manager
FROM: Susanna Finn, Community Development Planner
DATE: October 7, 2020 for the October 13 Council Meeting
RE: Transmittal of 2020 Housing Affordability Study and Action Plan

ISSUE

Transmittal of 2020 Housing Affordability Study and Action Plan

BACKGROUND

In January of 2019, the George Washington Regional Commission Board approved proceeding with a regional affordable housing plan. To achieve that effort, GWRC staff worked closely with City staff to apply for grant funding through Virginia Housing. HousingForward Virginia was contracted to complete this work. The consultants created a stakeholder group to guide the effort and City staff was a part of this group.

The 2020 housing Affordability Study and Action Plan, transmitted here, assesses the current status of housing in our region and devises implementable strategies to address identified challenges. Priority solutions are identified to address most critical needs.

NEXT STEPS

A joint work session with the Planning Commission has been scheduled for the 28th of October for presentation and discussion of this Study.

Attachment:

2020 Housing Affordability Study and Action Plan – to be distributed on Monday, October 12.

George Washington Regional Commission

2020 Housing Affordability Study and Action Plan



HousingForward
VIRGINIA

GEORGE
WASHINGTON
REGIONAL COMMISSION

George Washington Regional Commission

2020 Housing Affordability Study and Action Plan



HousingForward
VIRGINIA

Executive Summary

As the George Washington Region continues to grow, the current housing supply will continue to feel the pressures of high demand. Both new and existing residents in the region are feeling those impacts through increasing costs to buy and maintain a home or rent an apartment. But the entire region is feeling the effects through greater traffic congestion and decreasing income diversity.

The George Washington Regional Commission's *2020 Housing Affordability Study and Action Plan* was completed by HousingForward Virginia to provide the region with a clear understanding of housing affordability in the region and ways to address the issues identified.

Why a regional housing study?

Challenges in housing affordability aren't isolated to a single locality. In fact, local housing markets are inherently linked as residents and workers look for housing across jurisdictional boundaries. By taking a regional approach, the localities can better understand how they share a common interest in developing more diverse housing options for all of their residents.

Collaboration on housing can lead to greater impact on economic vitality, decreased traffic congestion, and the creation of more vibrant communities.

Defining affordable housing

For the purposes of this study "affordable housing" is not a type of housing, but instead refers to housing that a household can pay for without being cost-burdened. We use the U.S. Department of Housing and Urban Development's (HUD) 30% rule to define affordability. This simple ratio states that housing is affordable if a household pays no more than 30% of their gross household income on housing costs. If they pay greater than this threshold, they are housing cost-burdened.

For example, a two-person household earning 50% of the area median income should pay at most \$1,110 per month towards housing costs. A single person household earning 50% of the area median income should pay at most \$950.¹

Major findings

- Rental housing will continue to be unaffordable without intervention. One in two renters in the region are cost-burdened. An overwhelming majority of those cost-burdened renters are low- and moderate-income households.
- There is little rental housing that is dedicated to low- and moderate-income households in the region. Only 7% of all the new homes built in the region over the past decade use public assistance to provide below-market rate rents.
- The price of homeownership continues to increase as supply dwindles. Over the past five years, the price of a home has risen nearly 20%.
- First-time homebuyers are being priced out of the market. As of June 2020, 1 in 5 home resales were below \$250,000 in 2020. Of all new construction sales in 2019 and 2020, only 3% were below \$250,000.

¹ Based on an assumption that households pay \$150 per month towards utilities.

Executive Summary

- Homebuyers are looking for homes that aren't being built. The average new home constructed is over 3,000 sqft, but the highest demand is for smaller homes.
- COVID-19 has increased the desire and need for multigenerational housing, flexible living spaces, and broadband access.
- Senior housing needs will be a significant portion of future housing demand. One in five residents in the region will be 65 years or older by 2040.
- Active duty military and veterans have bolstered homeownership over the past decade. The growth of VA home loans since 2008 is twice that of conventional loans.

Recommended Solutions

These housing challenges are not wholly unique to the GWRC region. Across Virginia and the country, such problems are leading localities to supplement state and federal housing resources with their own efforts. The bulk of this report outlines forty-two detailed housing policy solutions that can be implemented at the local level. These solutions are categorized based upon the impact they will have on the local housing supply. Each solution includes a guide to implementation and information to aid in prioritization.

Not every solution needs to be implemented for progress to happen. This is a menu with a wide variety of options for localities to implement based on needs and priorities. These solutions have a proven track record in other regions and are tailored to the GWRC region based on the data and information we have learned in the last eight months of studying the local housing market. Some solutions are regional; others are particular to specific jurisdictions.

Implementation

So where does the region go from here? The following ten solutions are recommended as priority solutions. They provide a range of outcomes and were chosen based on the region's needs and an interest in setting priorities that are manageable, yet aspirational. Priority solutions range in level of difficulty, length of time to implement, and the quantity or type of housing produced. These priority solutions are a good mix and a great start.

Priority solutions

- 1.3** Use comprehensive plan updates to explore density options and expand housing education efforts
- 1.4** Expand accessory dwelling units in residential districts
- 1.9** Create and promote inclusionary zoning programs
- 1.10** Permit by-right multifamily housing in more residential zonings
- 2.5** Establish a regional housing consortium to pool federal housing resources to create more impact
- 2.9** Establish a regional housing trust fund
- 3.3** Increase housing rehab and critical home repair assistance programs
- 3.12** Revitalize manufactured home communities and replace poor quality homes
- 5.3** Create a center for first time, moderate-income homebuyer readiness
- 5.4** Begin awareness campaign to demonstrate the importance and value of affordable housing

About HousingForward Virginia

This report was written by HousingForward Virginia. HousingForward Virginia is the Commonwealth's trusted resource for affordable housing data and actionable insights. Advocates, planners, developers, and mission-aligned organizations rely on us to help them build connections and advance their work. With our support, they're able to better identify needs, influence decision makers, and ultimately increase access to affordable housing for all.

HousingForward Virginia is a 501(c)3 nonprofit organization based in Richmond, Virginia. For more information, visit: housingforwardva.org

About George Washington Regional Commission

The George Washington Regional Commission (GWRC) is the regional planning and doing organization for Planning District 16. The region includes the City of Fredericksburg, Caroline County, King George County, Spotsylvania County, and Stafford County. By statute, GWRC is charged with addressing "issues of greater than local" impact. For more information, visit: gwregion.org

Acknowledgments

This effort would not have been possible without the support and participation of dozens of individuals and organizations with a vested interest in the region's continued success and growth. We thank the George Washington Regional Commission's Executive Director, Dr. Linda Millsaps and Deputy Director, Kate Gibson, for their input and collaboration throughout this study.

GWRC HOUSING STUDY WORKGROUP

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Fredericksburg Area Association of REALTORS

Gerald Anderson

*League of Women Voters of the
Fredericksburg Area*

Curry Roberts

Fredericksburg Regional Alliance

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Mike Craig

City of Fredericksburg

Jeff Harvey

Stafford County

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King George County

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David Cooper

Thurman Brisben

Kyle Allwine

*Fredericksburg Regional Chamber of
Commerce*

Deb Snyder

Virginia Organizing

Cassie Kimberlin

*Greater Fredericksburg Habitat for
Humanity*

We would also like to acknowledge those individuals who participated in our community survey and focus group. Your feedback provided valuable information to guide the selection of recommendations catered to the region. Focus group and interview participants represented a diverse group of companies and organizations:

*1st Choice Better Homes & Land
Amy Cherry Taylor & Associates
Atlantic Builders
Caroline County Department of Social
Services
Central Virginia Housing Coalition
City of Fredericksburg
Coldwell Banker Elite
The Community Foundation
Fredericksburg Area Association of REALTORS
Fredericksburg Area Builders Association
Fredericksburg Regional Alliance
Germanna Community College*

*Greater Fredericksburg Habitat for Humanity
Jarrell Properties, Inc.
King George County
Legal Aid Works
Mary Washington Healthcare
Mary Washington University
Republic Home Builders
Rappahanock United Way
Spotsylvania County
Stafford County*

Additional thanks goes to Fredericksburg Area Association of REALTORS and Bright MLS, Inc. for providing data from which to gain a baseline reference of the region's housing market.

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Fig. 1) George St., Downtown Fredericksburg, Photo by HousingForward Virginia

Why a regional housing study?

Housing choices and challenges cross local boundaries.

Communities across the George Washington region, or Planning District Commission 16, face different challenges when it comes to housing, but the need for more affordable housing is a common thread across rural, suburban, and urban communities. The region has experienced some of the fastest growth in Virginia—with few signs of slowing down. By 2040, the region is expected to be home to nearly half a million people.¹ But this growth requires policymakers to consider where new and existing residents will live, especially as housing costs continue to rise and supply significantly lags demand.

The impact of the Washington, DC Metro Area has long been felt by the entire Fredericksburg region. The Interstate 95 Express Lane and the Virginia Railway Express extensions to the region have solidified a robust connection to the DC economy. With comparatively cheaper housing options, the GRWC region has been an attractive destination for workers seeking more affordable housing at the cost of a longer commute. Nearly 42% of the workforce commutes to a job outside of the region, with 1 in 10 commuters spending over 90 minutes or more traveling one-way to work.²

1 University of Virginia Weldon Cooper Center, Demographics Research Group. (2019). Virginia Population Projections. Retrieved from <https://demographics.coopercenter.org/virginia-population-projections>

2 Gentry, Lance. 2019 Fredericksburg Region Commuter Workforce Study. Prepared for the Fredericksburg Regional Alliance at the University of Mary Washington, the George Washington Regional Commission, and GO Virginia. October 12, 2019. Center for Business Research, University of Mary Washington.

As the population continues to grow, market pressures may have unintended consequences on the region's population and housing. For example, millennials and baby boomers seeking diverse and vibrant neighborhoods may push long-time, low-income residents out when home values and rents rise in once affordable neighborhoods, like the historic African-American neighborhood of Mayfield. High homeownership costs and limited affordable rental prospects in the counties surrounding Fredericksburg will leave modest income families with few quality housing options. Seniors with fixed incomes will experience rising housing costs, declining housing quality and few alternatives.

When families of diverse incomes can't afford to live in amenity rich areas, they often have to travel further and further out to find housing within their budgets. Impacts are felt across all localities as traffic congestion increases, housing and job mismatch persists, less money is spent in the local economy, and development sprawls. Essential workers, like nurses and firefighters, need diverse housing choices at affordable price points as do low-income and senior populations.

With a wide range of housing for people of all incomes, the region can continue to be a place to call home for both new and existing residents. A regional approach to housing recognizes the impacts that Stafford has on Fredericksburg or Fredericksburg on King George. While each locality may need housing solutions tailored to their distinct issues, collaboration can ensure the region creates and maintains housing that is affordable to people of all incomes.



Fig. 2) The George Washington Regional Commission Area

Defining affordable housing

Affordable housing means different things to different people based on their income.

OUR DEFINITION

In this report, we use “affordable housing” to mean **any home where a household pays no more than 30% of their gross income on rent or mortgage and basic utilities**. This definition is consistent across type and location of housing, and aligns with the standard threshold used by the US Department of Housing and Urban Development (HUD). This definition does not make a distinction between housing that uses direct public assistance versus housing provided by the private market.

WHY THIS MATTERS

With rising house costs for both owners and renters, finding and maintaining budget-friendly housing is increasingly difficult. This translates to not only housing instability for existing residents in the region, but also difficulty for a region to attract a diverse workforce.

Essential workers like food service and retail employees, teachers, nurses, and firefighters may find it increasingly hard to locate where jobs may be available due to the lack of housing within their budget. These workers are considered part of a growing population known as **Asset Limited, Income Constrained, Employed (ALICE)**. These households make enough money to not be in poverty, but budgets are stretched far to afford things like childcare, healthcare and housing. Within the GWRC region, one in four households are part of the ALICE population.

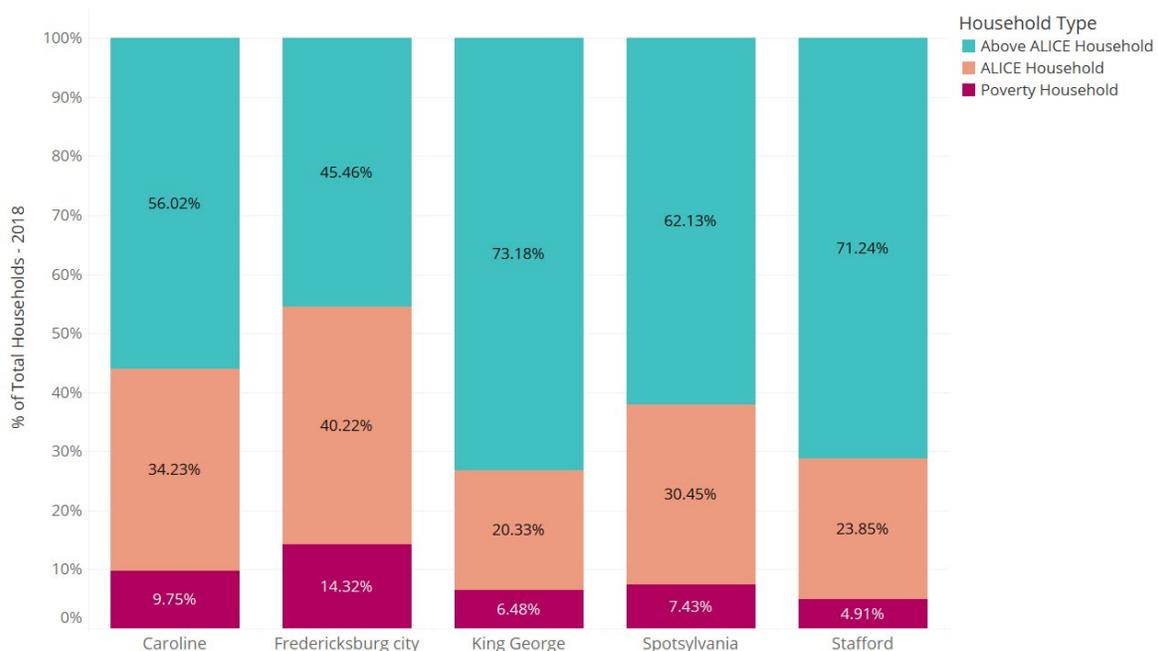


Fig. 3) ALICE Threshold in the GWRC Region. Source: United Way, ALICE Threshold 2018

Many households make hard decisions about what necessities to pay for; whether it be housing, healthcare, medication, education, transportation, or food. When households spend a large portion of their income on housing, they are often referred to as **housing cost burdened**.

By federal standards, those households that pay more than 30% of their income on housing costs are referred to as cost burdened. From those who are experiencing poverty to even some high income earners, households of all incomes are cost burdened. Therefore, affordable housing is a concern for everyone. When a region has diverse housing options for everyone, local communities and economies are able to thrive. When a region has diverse housing options for everyone, households have more spending and saving power by not paying too much for their home and unnecessarily long commutes. This helps local communities thrive and become economically resilient.

MAKING SENSE OF AREA MEDIAN INCOME (AMI)

The **Area Median Income (AMI)** is how HUD determines the income eligibility requirements for federal housing programs such as the Low Income Housing Tax Credit (LIHTC), first-time homeowner preferential grants or loans, or the Section 8 Housing Choice Voucher Programs.

HUD calculates AMI values for metro regions across the nation using estimates derived from household responses to American Community Survey, an annual survey conducted by the Census Bureau. Using these estimates, HUD determines a median income for all families, then uses a standard methodology to calculate incomes at 80%, 50%, and 30% of this median for household sizes ranging from one person to eight persons.

Households earning less than 80% of AMI are referred to as “low-income”; households earning less than 50% of AMI are “very low-income”; and households earning less than 30% of AMI are “extremely low-income.” These thresholds are used to determine program eligibility for nearly all types of housing assistance provided by federal, state, and local governments.

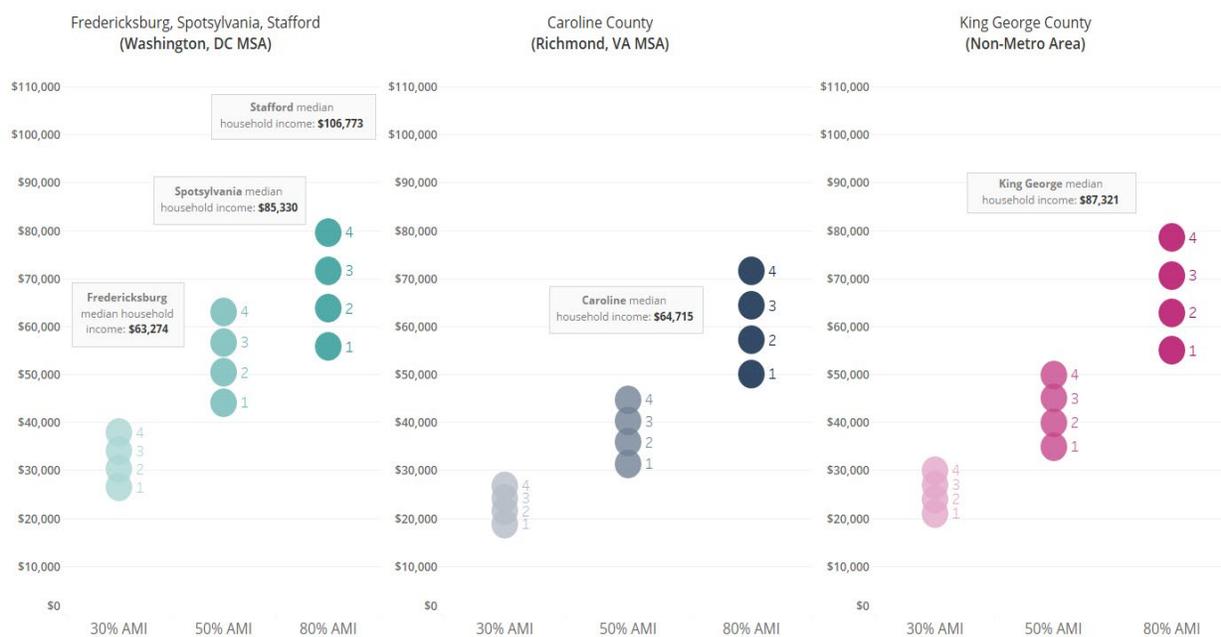


Fig. 4) Comparison of AMIs in the GWRC region for households with 1 to 4 persons. Sources: HUD FY2020 Income Limits; 2014–2018 American Community Survey, 5-year estimates

A major challenge for the GWRC Region is that HUD uses three different geographical areas to determine AMI for the five localities. The high income households of the DC metro area drive up the thresholds to qualify for federally-backed subsidies in Fredericksburg, Spotsylvania, and Stafford, which are included in the “Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area.” Meanwhile, the Richmond, VA MSA is used for Caroline, and King George is not assigned any metro region and therefore uses its own AMI.

The federally-set FY2020 AMI for the DC metro area is \$126,000.³ Based on this estimate, HUD classifies a two-person household making \$50,400 as very low-income. For the Richmond metro area, the AMI is \$89,400, with a very-low income two-person household earning \$35,800 or below. These distinctions make for significantly different eligibility thresholds within a single region.

For comparison, the Fredericksburg region’s average median household income was only \$81,833 in 2018.⁴ With lower household incomes than Northern Virginia and Richmond residents, the region continues to experience external pressures from the DC region that make it difficult for existing regional residents to find and afford lower-cost housing. What is affordable in the Fredericksburg region is significantly different from affordable housing in Northern Virginia. Therefore, when thinking about affordability, we must focus on maintaining affordability based on local incomes. Solutions offered in this report will offer ways to address this challenge.

HOW WE CREATE MORE MODESTLY-PRICED HOUSING

A shortage of affordable housing implies that building more housing is the best answer. But rising construction costs, low supply of available land, labor shortages, and other challenges make this solution very difficult in practice. In order to create housing at more accessible price points, two types of interventions are used to either 1) make new, modestly-priced housing or 2) make existing housing more affordable.

Making new, lower-cost housing uses strategies that make it easier to develop more housing and lower costs by increasing supply. Lessening zoning restrictions that prevent multifamily housing, offering tax incentives or density bonuses for dedicated affordability, and streamlining the development process are just some of the ways localities can help increase the supply of housing for low and moderate income households.

Making housing more affordable focuses on helping individual households afford housing. This is often done through rental assistance and homeownership grants that help households cover increasing costs. Other assistance like rehabilitation programs help existing homeowners make necessary improvements in their properties to maintain a quality home without sacrificing income needed for food and healthcare.

There is no one single solution that will solve the housing challenge that the region faces. Instead, it will take an assortment of strategies to create affordable housing, make housing affordable, and maintain that affordability over time.

³ US Department of Housing and Urban Development; FY 2020 Income Limit documentation.

⁴ US Census Bureau; 2014-2018 American Community Survey, 5-year estimates; Table S1901.

Fig. 5) Why is it expensive to build affordable housing?

Why is it expensive to build affordable housing?

If there's such a demand to build affordable homes for people, why isn't the market filling that need? The answer is a simple math problem, but a complicated policy problem. In short, the cost to build and maintain nearly any kind of home these days commands price points well above what most would consider affordable. Filling this "gap" is a constant challenge for any affordable housing developer. So how did we get here?



Homes need land, and land is getting more expensive.

In high-growth regions, land costs have skyrocketed as the amount of developable land dries up. Localities can help by zoning for additional density and, if possible, donating underused public land for housing.



Labor isn't easy to find and afford.

Skilled construction workers are hard to come by, which drives up costs. Labor shortages are the result of limited trade programs, volatility in immigration policy, and other factors.



Raw materials costs are increasing.

Due to tariffs and pandemic-related supply chain issues, the price of lumber has skyrocketed in 2020. The National Association of Home Builders estimates this has increased the average single-family home price by \$14,000.



Government investments in housing aren't enough.

Affordable housing developers often use public subsidies and tax credits to help "close the gap." According to the Center on Budget and Policy Priorities, federal discretionary spending has declined by almost 5% since 2010 (adjusted for inflation), despite a clearly growing demand.



NIMBY contributes to development costs.

In addition to preventing development altogether, Not In My Back Yard (NIMBY) sentiments can be costly to developers. Construction delays, permit denials, and design concessions in response to local opposition lead to loss of income for developers that are often mitigated by increasing housing prices.

Spectrum of housing needs

Different households have different housing needs based on their size, income, age, and other factors. The graphic below shows a range of households and how they are served by homes created by nonprofit, public, and private market activities. This “housing spectrum” is a useful tool for understanding the wide continuum of policies required to provide housing options that are affordable and attainable across the GWRC Region.

Fig. 6) Spectrum of housing needs in the GWRC region

	Less than 30% AMI	30% to 50% AMI	50% to 80% AMI	80% to 100% AMI	Greater than 100% AMI
Income category	Extremely low income	Very low income	Low income	Below average income	Above average income
Number of households	29,004	30,500	25,405	24,972	124,724
Cost burden	8%	23%	17%	13%	3%
Severe cost burden	30%	9%	3%	1%	0.2%
Household types	Minimum wage workers; Low-income seniors; Persons with disabilities; Housing insecure persons/families	Low-wage workers; Low-income seniors; Persons with occasional housing challenges	Recent college graduates; Young couples; Moderate-wage workers	Young professionals; Working-class families; Retired professionals	Families with two high earners; High-income singles
Types of housing used by these households	Low-cost market rental; Housing Choice Vouchers; Assisted rental housing; Supportive housing; Temporary shelters	Low-cost market rental; Housing Choice Vouchers; Assisted rental housing	Market-rate rental; Assisted rental housing; Starter homes	Market-rate rental; Median-price for-sale homes	High-end rental; High-end for-sale homes
Challenges	Homelessness; Major housing insecurity; Extremely low or no income; Supportive services needs; Unemployment or under-employment	One crisis away from housing insecurity; Fixed or low incomes; Affordable housing not near jobs	Can afford market-rate, but with cost burden; Limited inventory to achieve homeownership	Market-rate housing attainable but limited by location and quality; Strong income but limited assets	Very few challenges

How is this study different?

In late 2007, the national foreclosure crisis and recession prompted the region to create an Affordable Housing Task Force. The resulting work of the Task Force led to a 2008 report that highlighted the high demand for housing from DC Metro Area workers that persists today and the need for more greater regional collaboration to take advantage of federal funding.⁵

The report was released amid the economic downturn which changed the rate of development and employment growth that the region was experiencing ahead of 2007. The recommendations provide general guidelines for further exploring and evaluating the affordable housing challenges in the region. The region successfully deployed the federal Neighborhood Stabilization Program as a result of the report. This successful grant award program was used to purchase foreclosure homes and rehabilitate them as affordable housing.

This study expands upon the 2008 report, as well as recent reports conducted by Lisa Sturtevant & Associates LLC and the Fredericksburg Area Association of REALTORS. These recent reports have provided a baseline reference from which to understand the region's housing inventory and have helped guide this study which offers detailed, actionable solutions to address a wide range of housing challenges the region is facing today.

The housing solutions presented in this study provide localities and the region with specific programs and tools to support quality and affordable housing development. From the local- to regional-level, we provide a menu of solutions with comprehensive information such as the actions and resources needed to carry solutions to implementation.

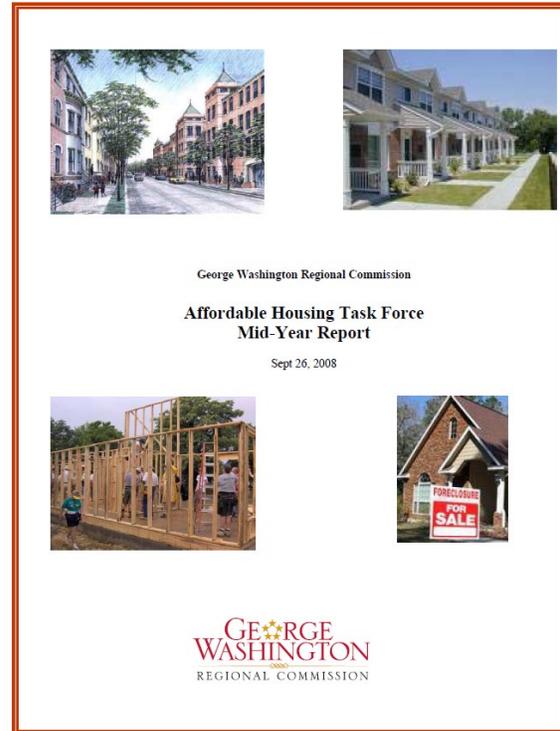


Fig. 7) Affordable Housing Task Force Mid-Year Report Cover, 2008, George Washington Regional Commission

⁵ George Washington Regional Commission. (2008). *Affordable Housing Task Force Mid-Year Report*. September 26, 2008.

Vision & Values

To help craft and advance the solutions provided later in this report, HousingForward Virginia and GWRC assembled a work group of housing experts, advocates, and other regional leaders in early 2020. The first task this group completed was drafting a regional vision and set of values to anchor this effort. HousingForward Virginia and GWRC used the vision and values to shape the content, type, and prioritization of the housing solutions provided in this document.

REGIONAL VISION

All residents in our region will have a path to a high-quality, affordable place to call home.

VALUES

Collaboration Successful housing solutions will be a group effort led by both public and private individuals and organizations.

Community We will take advantage of our shared geography and shared vision for affordable housing to achieve results that build and strengthen connections across our neighborhoods and region.

Equity Everyone in the region will have the tools and resources necessary to meet their housing needs regardless of race, ethnicity, income, age, or other measure of diversity.

Innovation The region will make use of new ideas and fresh approaches to break through the existing constraints on our housing supply.

Sustainability Solutions will be measured by their ability to create long-term, positive environmental, social and financial health.

HOUSING NEEDS SURVEY

Community members are an important source of information. Their insight is helpful to provide an even clearer picture of housing needs beyond available data.

Housing Forward Virginia developed a 15 question online survey to ask residents in the GWRC region directly about their housing needs. Questions sought to understand how residents felt about their current housing affordability, condition, and future housing needs.

From late June to early August, the survey was distributed online by members of the Working Group and other stakeholders. In total, there were 461 respondents who represented a diverse range of residents from all localities. The following highlights some major trends among these responses:

- Three quarters of respondents noted a difficulty in the ability to find both a good quality and reasonably-priced home in the region.
- Two-thirds of respondents indicated that they or someone they know has experienced a barrier to finding good housing.
- There is an overwhelming desire to see more diverse housing options in the region so that people who work in the region can live here.
- While many respondents are satisfied with their current housing, many are thinking about future needs such as aging-in-place and major home repairs or upgrades.

The responses from the survey helped to further inform solutions and priorities for the region. For a full breakdown of the survey results, see [Appendix A](#).

Rental Market

The number of renters in the GWRC Region is steadily growing. This is largely due to the fact that the cost to buy a home continues to rise, while wages have barely budged. Younger households seeking homeownership may have income to support a monthly mortgage payment, but lack sufficient savings for down payments, and are often straddled with student debt payments.⁶ While new rentals are emerging on the market to accommodate these families as they work toward homeownership, they are overwhelmingly high-end apartments that do not serve low- to middle-income households, including young people in the early stages of their careers.

With a low supply of older duplexes, townhomes, and garden apartments available to be rehabilitated or renovated, the region lacks a diversity of housing that can serve all budgets. The lack of low-cost rental housing in Fredericksburg has forced many low wage households to take on the additional costs of commuting to jobs located in the surrounding counties.

⁶ National Association of REALTORS® Research Department & American Student Assistance®. (2017). Student Loan Debt and Housing Report 2017: When Debt Holds You Back.

In recent years, Fredericksburg has consistently had lower median rents when compared to Spotsylvania and Stafford Counties, and higher out-commuting rates for low-earning workers. In 2017, 73% percent of workers earning \$1,250 or less who live in Fredericksburg commuted out of the city for work, while 67% and 70% of workers earning \$1,250 or less in Spotsylvania and Stafford worked outside of their areas, respectively.⁷

The lack of diverse workforce housing has additional implications on the regional economy. Without an adequate supply of middle-income rental housing, the region will be unable to attract and retain an educated workforce, which in turn is a key factor in attracting new business to the region.

Today, there is a significant need for apartments that are affordable to households with tight budgets, especially outside of the City of Fredericksburg. Without intervention, this deficit will leave many low income households without any budget-friendly housing options in the region.

WHERE WE'VE BEEN

Renters are on the rise across the region.

The number of renters across the region has increased by nearly 20% from 2010 to 2018, while the number of

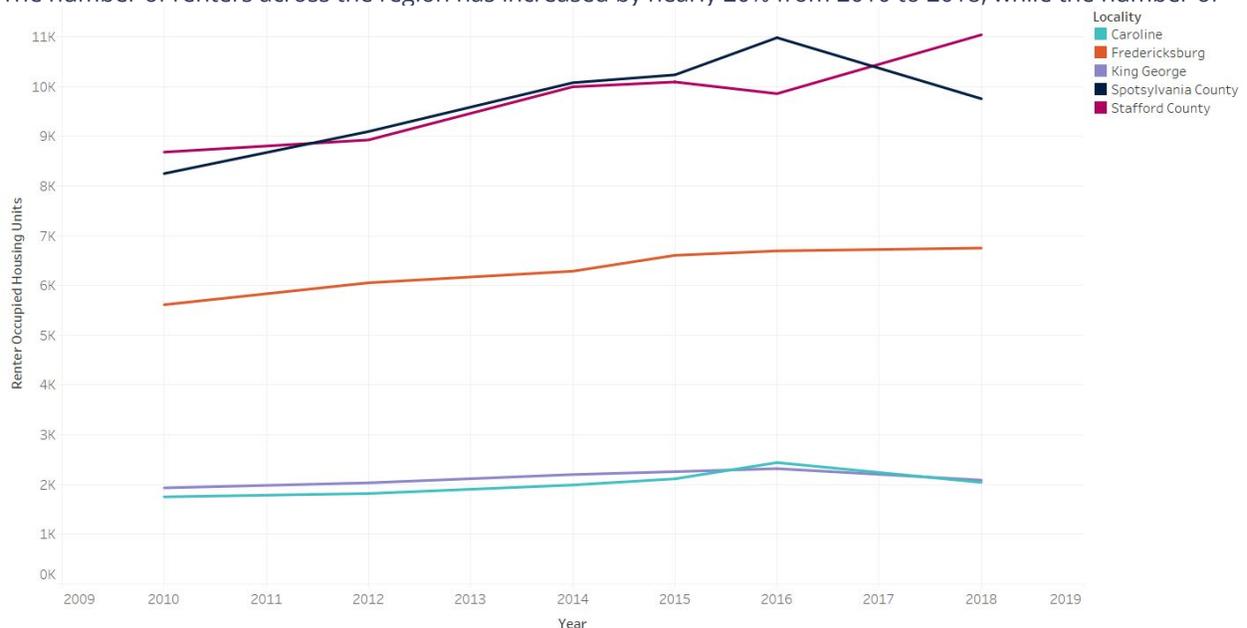


Fig. 8) Increase of renter occupancy from 2010 to 2018, by locality. Source: American Community Survey 5-year estimates.

new multifamily units being built has only grown by 10% in that same time period. With over 5,400 more renter households now than in 2010, the growth of the renter population is far outpacing the number of multifamily units being built. And the increase in the renter population is only expected to continue for years to come.

There's a mismatch between rents and income in the region.

Since 2000, renters' incomes have not kept pace with housing costs across the country. Virginia and the GWRC Region are no exceptions. Caroline and Fredericksburg have seen an increased number of renters making higher incomes, but on average the renter incomes in the region have only increased by 1% from 2017 to 2018. In that same time period, average median rents across the region have increased by nearly 6%.

⁷ U.S. Census Bureau. (2020). LEHD Origin-Destination Employment Statistics (2002-2017) [computer file]. Washington, DC: U.S. Census Bureau, Longitudinal-Employer Household Dynamics Program [distributor], accessed on 9/7/2020 at <https://onthemap.ces.census.gov>. LODES 7.4 [version]

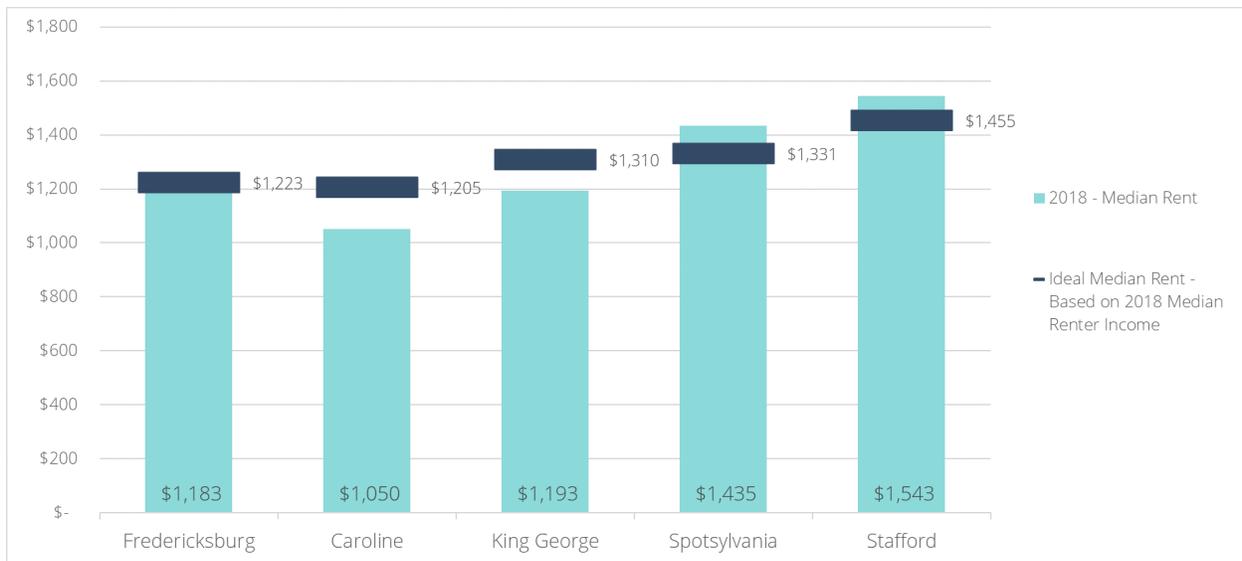


Fig. 9) 2018 Median rents vs. ideal median rents based on 2018 median renter household incomes., Source: American Community Survey 5-year estimates

Rents in Stafford and Spotsylvania have especially not kept pace with renter incomes. The 2018 median rent for both these localities is above what is affordable for the average renter's income.

The region has depended on private and nonprofit developers for affordable housing.

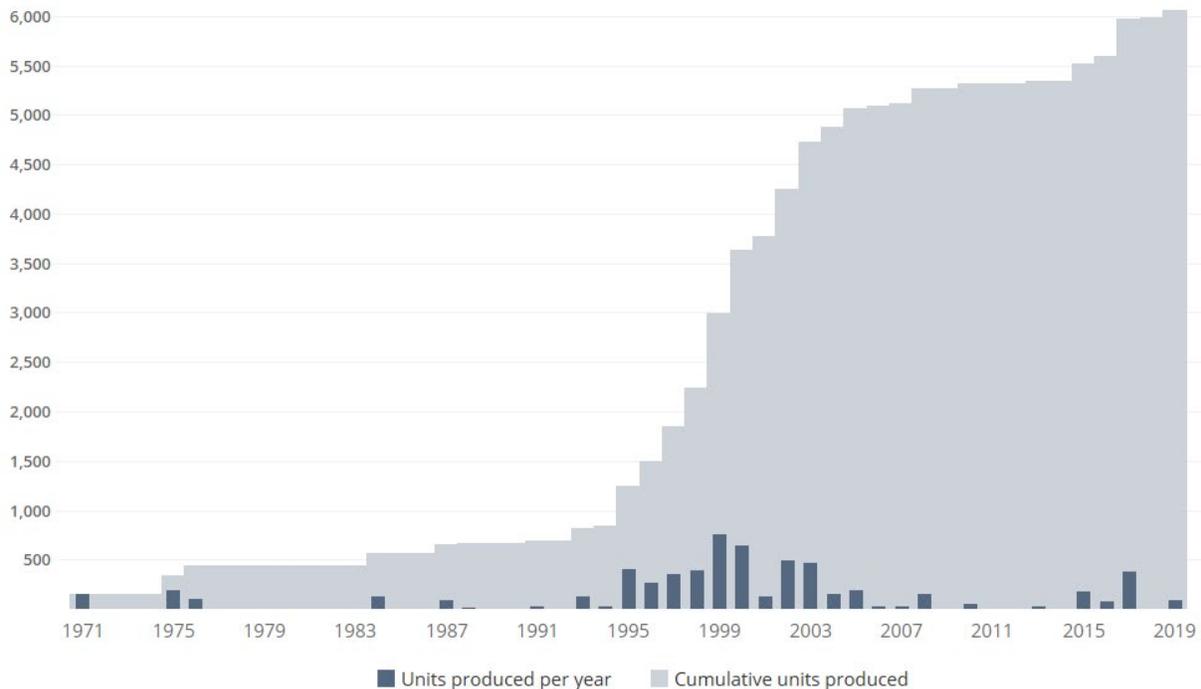


Fig. 10) Annual and cumulative LIHTC units placed in service in the GRWC Region, Source: NHPD

Between the 1940s and 1970s, the federal government created and funded deeply affordable housing for very low income households, including public housing. However, public housing was never developed in the Fredericksburg region.

Instead, the region has greatly depended on private and nonprofit developers using the Low-Income Housing Tax Credit (LIHTC) for dedicated affordable apartments. Most of these homes were built in the late 1990s and early 2000s. Since 2015, roughly 650 new affordable LIHTC apartments have been built in the region, but demand still far outpaces new supply.

Other rental units with public assistance include slightly under 1,000 apartments subsidized with Project-Based Section 8 funds, and several hundred units built or rehabilitated using the HOME Investment Partnerships Program, or USDA Section 515 Rural Rental Housing Loans. In some cases, funds from multiple programs are used to provide assistance to a single property.

The other primary source of rental assistance in the region is the Housing Choice Voucher program. Rather than attach assistance to a particular housing unit, HCVs are awarded to individual renter households and used on the private market.

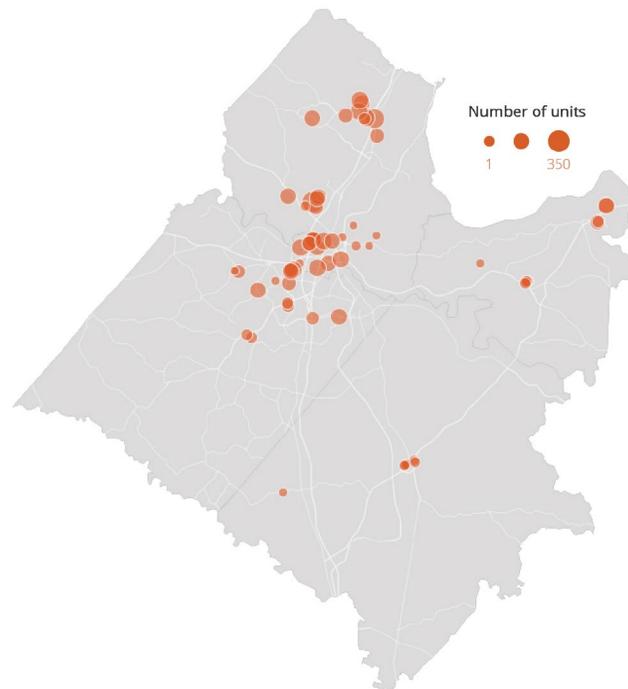


Fig. 11) Locations of assisted rental housing in the GRWC Region. Source: NHPD.

There is such a gap between the supply and demand for affordable apartments in the region that the Central Virginia Housing Coalition's waiting list for Housing Choice Vouchers has been closed since 2003. Some families have resorted to "porting" in HCVs from providers elsewhere in Virginia and even out of state.

A voucher recipient will pay up to 30% of their gross income on rent, and the HCV will cover the balance between that amount and the full rent. HCVs are federally funded but administered by local and regional agencies. In the GWRC region, the Central Virginia Housing Coalition provides approximate 1,400 vouchers. HCVs are not entitlements; they are awarded on a competitive basis. Nationwide, fewer than one in four renter households eligible for HCVs receives assistance.

WHERE WE ARE

High rents force one in two renters in the region to pay too much for their homes.

Half of all the renters in the region are cost-burdened (48%), meaning they pay 30% or more of their gross income on rent and basic utilities.⁸ Worse yet, one in five of cost-burdened renters in the region are severely cost-burdened, meaning that they spend more than 50% of their gross income on housing costs. This burden is most heavily carried by renters earning less than half of AMI for their respective localities: 78% of all renters between 30% and 50% AMI are cost-burdened, and 88% of all renters below 30% AMI are cost-burdened. Of those renters making below 30% AMI, two-thirds of them are severely cost-burdened.

The most common type of new affordable housing produced around the country, with Low Income Housing Tax Credits, is often only affordable to those earning above 50% of AMI and below 60% of AMI, but the program can be adapted to expand affordability. As a result, these households often face extreme challenges making ends

⁸ 2012-2016 Comprehensive Housing Affordability Strategy dataset, Table 7.

meet. Even with well-planned budgeting, an unexpected expense can force a family into an unstable housing situation.

This trend is not exclusive to the GWRC Region. Statewide, over four in five renters below 50% AMI are cost-burdened (83%). This is the direct result of entry-level and working-class wages growing at a much slower pace than rents asked by the private market, along with the very limited supply of affordable homes for persons unable to work, including seniors and persons with disabilities who have fixed incomes.

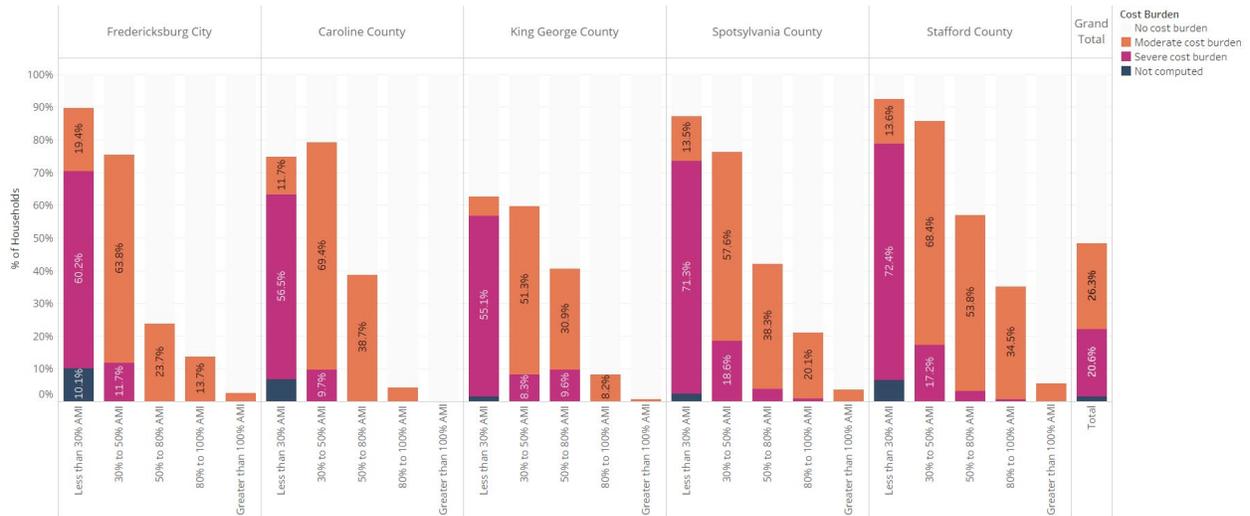


Fig. 12) Cost burden by AMI and locality, Source: 2012–2016 CHAS

Cost burdened renters are more likely to be part of smaller, younger households.

Almost half of all the cost burdened renters in the region are in small families (two non-senior persons, three persons, or four persons), and another quarter are in non-family households (e.g., non-related roommates).

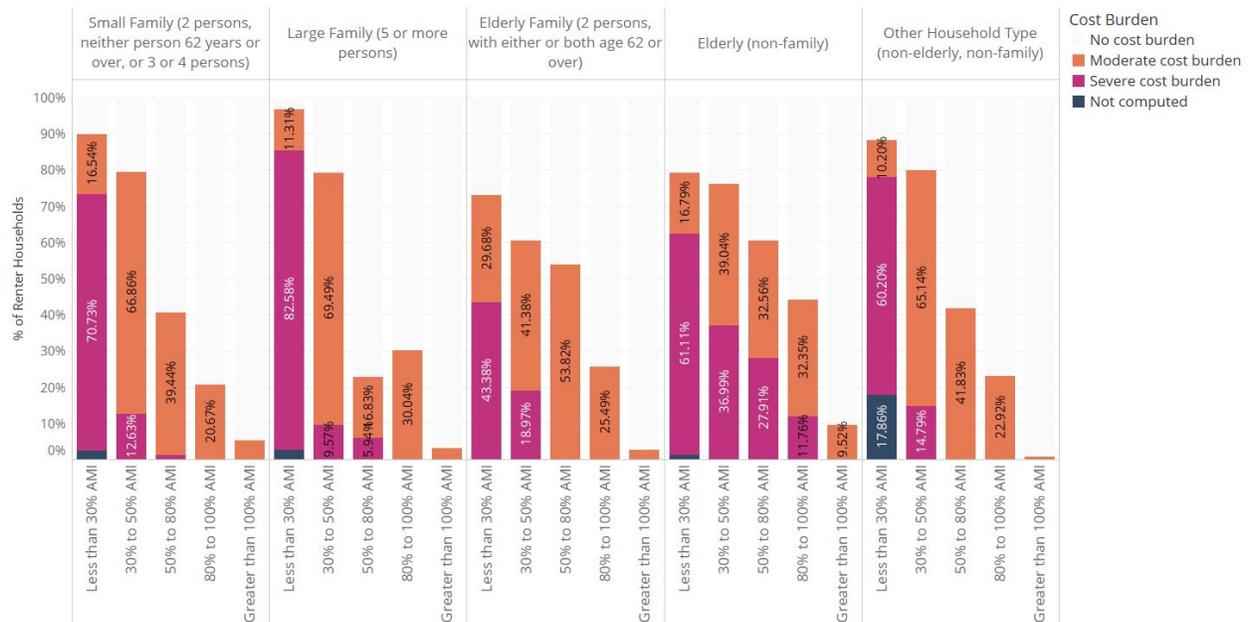


Fig. 13) Renter cost burden by age and household type, Source: 2012–2016 CHAS

Nearly equal numbers of renters live in single-family homes as multifamily apartments.

There are approximately 31,660 homes occupied by renters in the region. Of these, 43% are detached and attached single-family homes, another 43% are apartments in structures with five or more units, and the remainder are small apartment buildings or manufactured homes.⁹

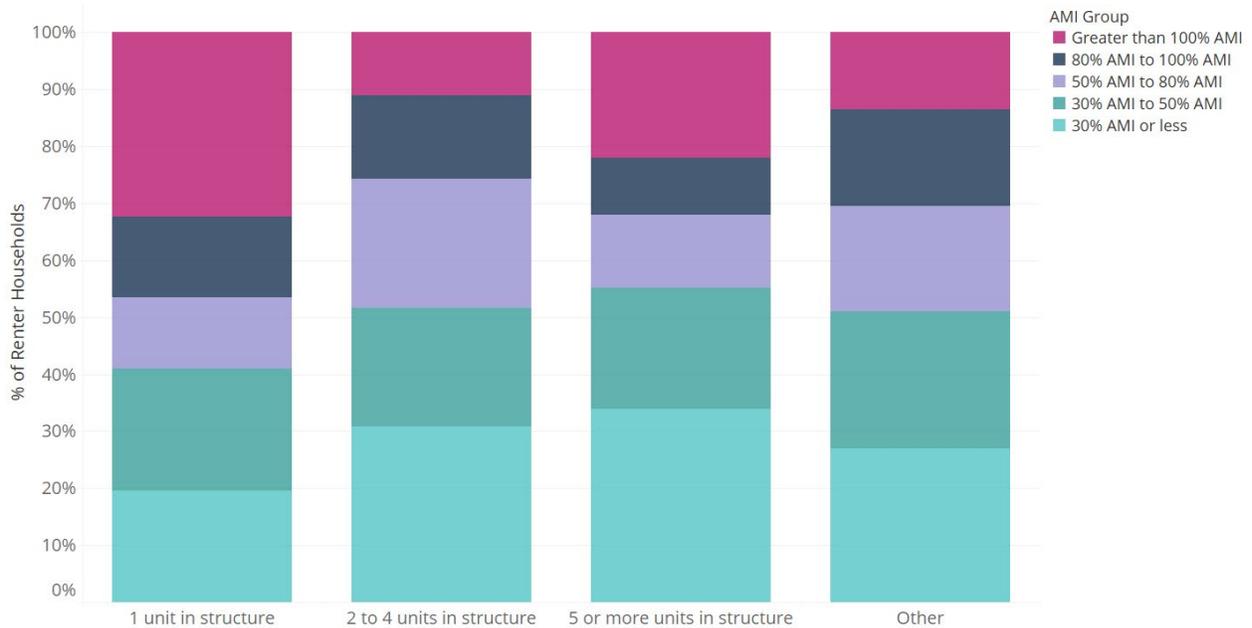


Fig. 14) Distribution of renter households by type of structure, Source: 2012–2016 CHAS

Dedicated affordable apartments are a very small share of the rental housing stock.

Since 2010, only 793 new subsidized rental units have been built in the region, primarily through the LIHTC program. This represents just 31% of all new multifamily construction over the same time period, and only 7% of all new homes produced.



Fig. 15) Cumulative production of LIHTC units versus all multifamily units, Sources: NHPD and Census Bureau Building Permit Survey

9 2014-2018 American Community Survey, 5-year estimates; Table B25032.

Over this same time, 38,870 LIHTC units were placed in service across the whole state. This accounts for roughly 43% of all multifamily construction, and just 13% of all housing starts. Held to this statewide standard, the GWRC Region is slightly “behind pace” for its provision of affordable rental homes as a portion of its total housing production. (For comparison, the Richmond region¹⁰ produced 2,175 LIHTC units between 2010 and 2019, which accounted for 17% of all multifamily production and 5% of all new residential units.)

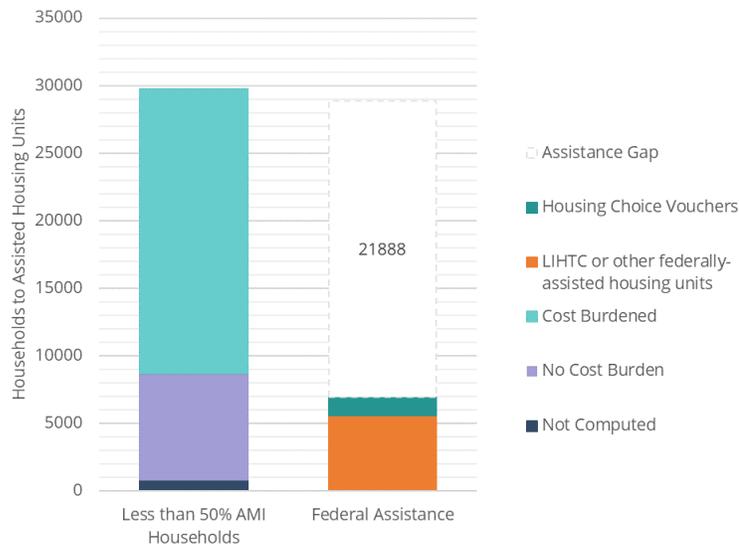


Fig. 16) Number of cost-burdened renters below 50% AMI versus total LIHTC units and other forms of housing assistance, Sources: HUD and 2012-2016 CHAS

As of 2020, there are approximately 6,000 publicly assisted rental units in the region found throughout 66 different properties. Most of these were produced using the Low-Income Housing Tax Credit Program (LIHTC). Together with approximately

1,400 Housing Choice Vouchers administered through the Central Virginia Housing Coalition, dedicated affordable apartments make up fewer than one in four of all apartments throughout the region.

As a result of this extremely tight inventory, over 21,000 families earning below 50% AMI are cost-burdened. Assuming just two persons per household, this is enough people to fill the new Fredericksburg Nationals ballpark at least eight times over.

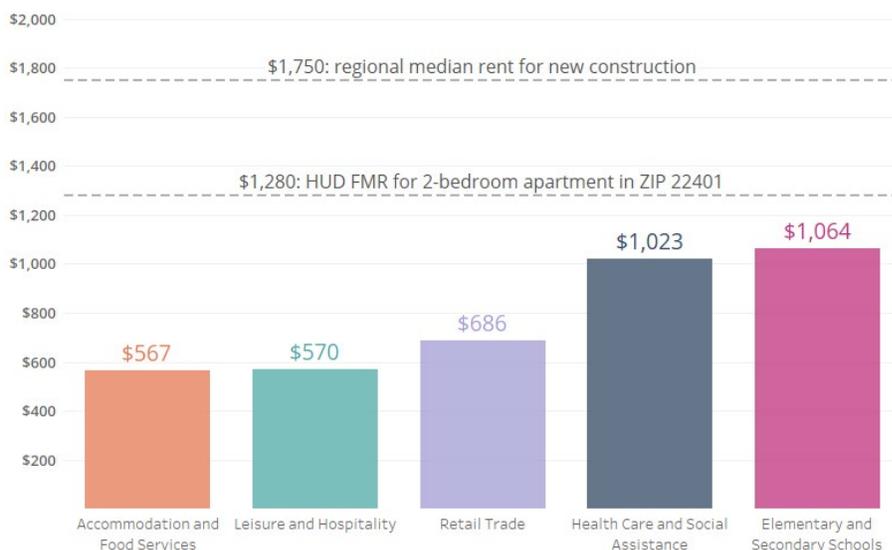


Fig. 17) Affordable monthly rents based on median regional wages, Source: VEC

Rents for new market-rate apartments are out of reach for many working-class families.

Based on MLS records of residential leases from January 2019 through June 2020, the median monthly rent for a newly-built apartment in the region is \$1,750.¹¹ This requires an annual household income of at least \$70,000—far above the median rental household incomes estimated by the Census in 2018, which range from \$48,210 to \$58,205 across the region.

¹⁰ Defined as the City of Richmond, Chesterfield County, Hanover County, and Henrico County.

¹¹ Residential lease records from Bright MLS, Inc. data for the GWRC Region do not capture all rentals. Only broker-transacted leases are included, which likely skew toward higher-end rental properties with professional management.

Very little land in the region is zoned to allow apartments by-right.

When a land use is “by-right” in a zoning district, property owners can develop that use without additional public approvals. As of today, only 3% of all the land in the region allows multifamily buildings by-right, compared to 85% for single-family homes. Another 7% allows duplexes, primarily in King George County, and another 5% does not permit any residential use. (This final category includes exclusively commercial and industrial areas that may not be agreeable locations for housing.)

This dominance of “single-family only” zoning severely limits the ability for private and nonprofit developers to add to rental supply in the region to meet demand and reduce costs.

Land by residential zoning class

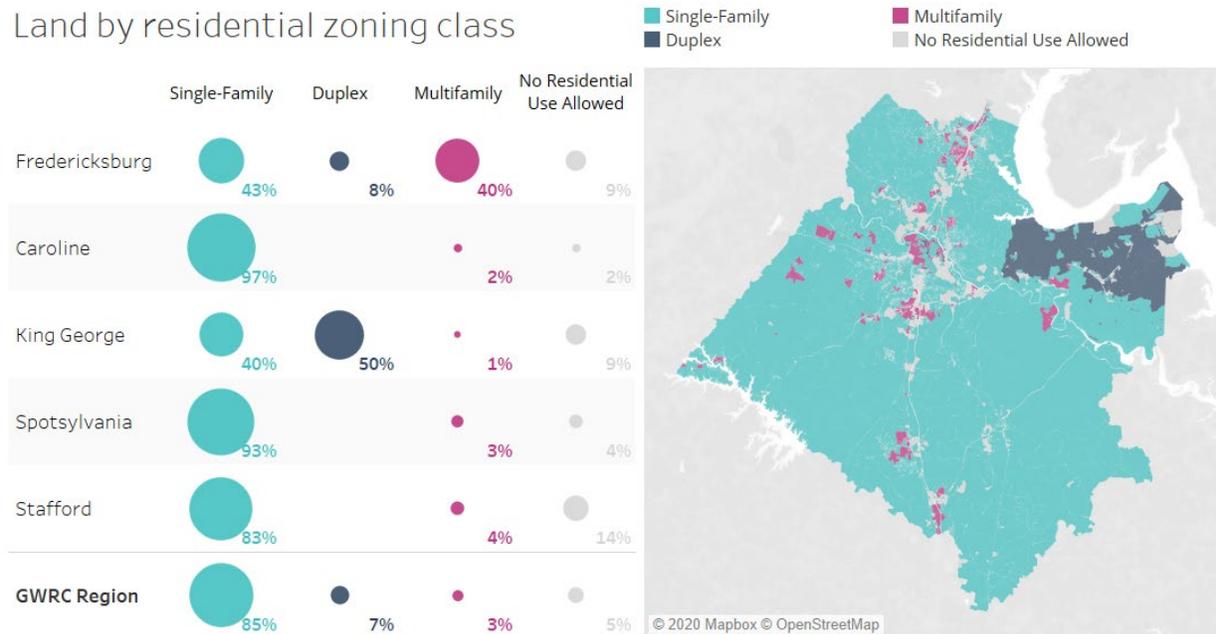


Fig. 18) Land by residential zoning class, Sources: Zoning district GIS files and zoning ordinances via localities

WHERE WE'RE GOING

Without significant interventions, housing instability will get much worse as the COVID-19 fallout continues.

As of August 8, 2020, over 9,200 workers in the region had continued unemployment claims as a result of cascading job losses from the COVID-19 pandemic. These losses are concentrated in retail, food service, and other similar low- to moderate-wage sectors whose workers predominately rent their homes.

While a patchwork of eviction moratoriums, along with supplemental unemployment insurance and other forms of direct financial assistance, has tamped down widespread displacement, future interventions at the state and federal levels remain uncertain. The National Low Income Housing Coalition estimates 12 to 17 million households across America are at risk of eviction as job losses become permanent. In Virginia, up to 384,000 households are at risk—over a third of all renters.

The subsidies for over a quarter of all the publicly assisted rental units in the region will expire by 2030. Nearly two-thirds will expire by 2040.

Because the region has no permanently affordable public housing stock, all dedicated affordable rental units use subsidies that expire a certain number of years after they are first activated—usually 30 years later. The largest share of these units were brought online in the late 1990s and early 2000s and will therefore see their subsidies expire in the next two decades.

Nearly all of these homes were created using the LIHTC program, which produces units with rents affordable to households earning 50% to 60% of AMI. In some cases, these developments are wholly or partially reserved for seniors. In the GWRC Region, 1,110 publicly assisted rental units have been set aside for seniors (18% of all).

Unless current (or new) property owners preserve the affordability of their units via new subsidy, a full quarter of all rent-assisted apartments will revert to market-rate by 2030. By 2040, well over half will have expired.

POLICY IMPLICATIONS

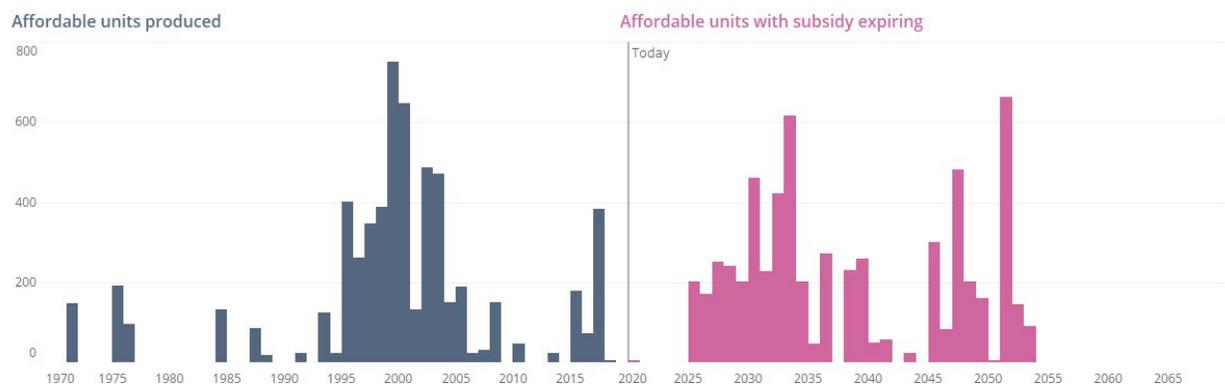


Fig. 21) Annual production and subsidy expiration of assisted rental units in the GWRC Region, Source: NHPD

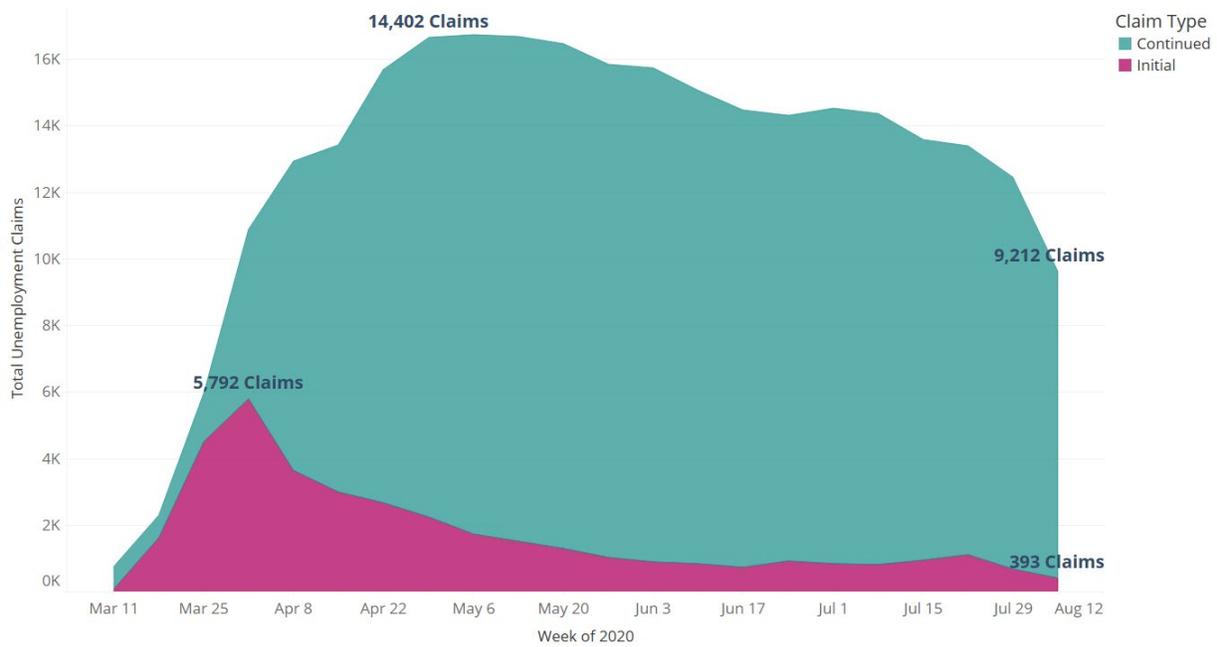


Fig. 19) Initial and continued unemployment claims in the region, March through August 2020, Source: VEC

The Virginia Department of Housing and Community Development (DHCD) established the Rent and Mortgage Relief Program in July 2020 to provide financial assistance to households who need help with housing payments resulting from coronavirus-related economic hardships. The RMRP was initially seeded with \$50 million of CARES Act funding. Funds are allocated to households in need via regional partner organizations. As of August 16, 2020, the Rappahannock United Way has distributed \$139,686.42 in RMRP funds to 50 households in the GWRC Region.



Fig. 20) Total evictions and eviction rate by locality, 2000–2016, Source: Eviction Lab

- 
- Localities have an opportunity to re-think land uses to promote more affordable types of housing, including missing-middle, multifamily and mixed use, as a means to mitigate sprawl, reduce traffic congestion, and create community-focused developments.
 - The region should find ways to attract high-quality affordable rental developers from the Richmond area, DC metro area, and greater Mid-Atlantic region. These include both private and nonprofit entities with experience using LIHTC and other housing programs to create and preserve affordable rentals.
 - High cost burdens for working class renters mean that many of the region's essential workers often face significant challenges budgeting for rent, groceries, healthcare, childcare, and other necessities. One unexpected expense could easily send a family into a financial crisis—and potentially eviction—and place strains on social services.
 - Workforce development initiatives—and measures to help young adults complete college degrees and job training programs—may help increase incomes for low and very-low income renters.
 - High rents, combined with student loans and other debts, prevent younger households from saving for down payments and closing costs on first-time home purchases. They may also entice graduates to move outside of the region to seek more attractive housing options.
 - As federal resources for affordable rental housing continue to fall well below demand, regions and localities must look inward for new solutions and resources to help low income renters find quality housing. This need applies to both new construction and preservation. The GWRC Region is not immune to this national trend.

Homeownership Market

Homeownership provides residents with a way to build wealth and gain financial independence. For residents across the region, homeownership continues to be a long-term goal. But the dream of homeownership remains out of reach for many people throughout the region as home prices have continued to rise, while incomes have struggled to grow.

Furthermore, the lack of affordable housing options in the DC Metro Area has continued to push workers down Interstate 95, where relatively more affordable housing is available. The migration of high-income white collar workers from DC, along with a limited supply of developable land, has led to an extremely tight housing market. This has left many young professionals, working families, and seniors with few options when searching for budget-friendly housing.

In addition, the racial homeownership gap continues to widen between the white and Black and Latino populations within the region. Today, the Black homeownership rate in the region is 16 points lower than the white homeownership rate. This is an increase in the gap from 2000, when Black homeownership was at 69% compared to 78% for whites in the region.

In addition, the racial homeownership gap continues to widen between the white and Black and Latino populations within the region. Today, the Black homeownership rate in the region is 16 points lower than the white homeownership rate. This is an increase in the gap from 2000, when Black homeownership was at 69% compared to 78% for whites in the region.

WHERE WE'VE BEEN

Home prices in the region have risen significantly due to limited supply and high demand.

The median closing price for a home in the GWRC Region has increased from \$265,000 in 2015 to \$315,000 in 2019—a 19% jump. At the same time, the odds of even finding a home are getting smaller. The median days on market (DOM) decreased from 35 in 2015 to just 19 in 2019.



Fig. 22) Median close price and median days on market for all homes sold in the GRWC Region, Source: Bright MLS, Inc.

The homeownership market in every locality has gotten tighter.

Median home prices in each of the five localities in the GWRC Region have increased since 2015. Even in the “weakest” market of Caroline County, the average home now sells for well over \$200,000, and stays on the market for fewer than three weeks. Average home prices in every other locality have exceeded \$300,000; furthermore, homes in these areas are now on average selling in less than two weeks.

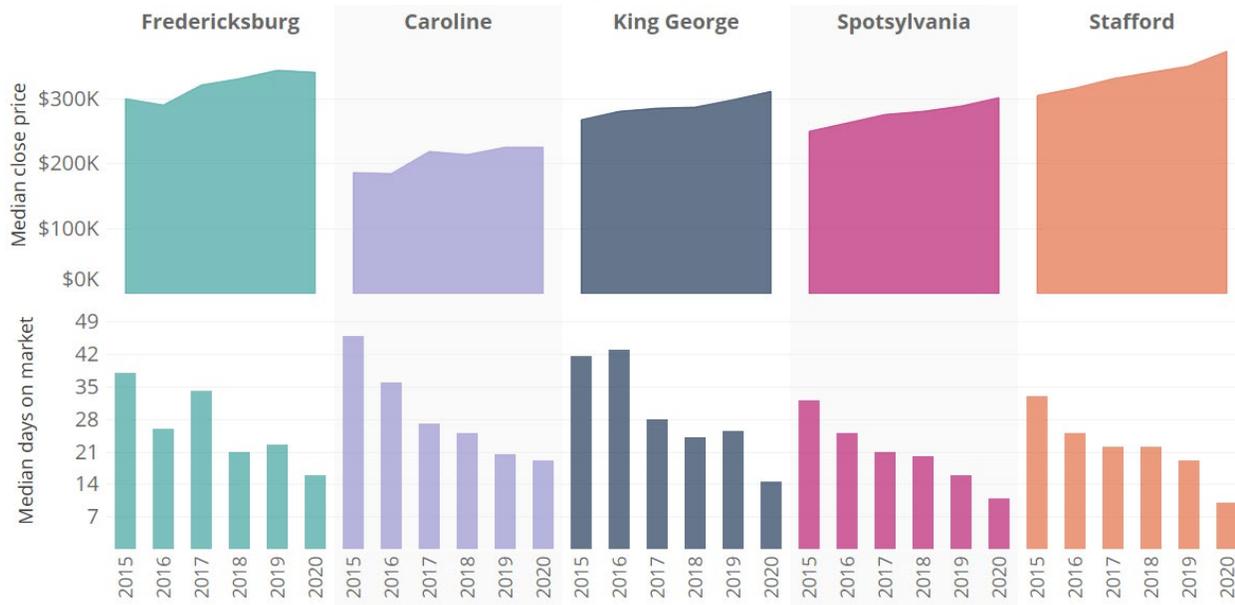


Fig. 23) Median close price and median days on market for all homes sold by locality, Source: Bright MLS, Inc.

Black homeownership has decreased significantly since 2000 when compared to White and Hispanic/Latino households.

The Fair Housing Act of 1968 made discrimination in the housing market a federal crime. As of the 1970 Census, the homeownership rate for Black Virginians was 51.5%. Nearly half a century later in 2018, the Black homeownership rate in the state was 47.7%.

While the Black homeownership rate in the GWRC Region (61.7%) is higher than the statewide rate, the gap between Black and White homeowners has widened since 2000. Black homeownership has decreased by 7.5% since 2000, while White homeownership has increased by 0.3% and Hispanic/Latino homeownership has decreased only by 0.6%.

Homes priced for first-time buyers have become nearly impossible to find.

First-time homebuyers in the region are looking for homes in the \$200,000 to \$300,000 range; many would prefer prices below \$250,000 to avoid overleveraging their income on a mortgage. In 2015, previously-occupied homes (i.e., not new construction) reselling for less than \$250,000 were 43% of all sold inventory. Entry-level buyers stood a good chance at finding a home they could afford without significant trouble.

As of June 2020, the share of under-\$250,000 homes is just 19% of all year-to-date home resales. First-time buyers now have a much lower chance of successfully finding a home they can afford. To make matters even more challenging, of all newly constructed homes for sale in 2019 and 2020, only 3% were priced below \$250,000.

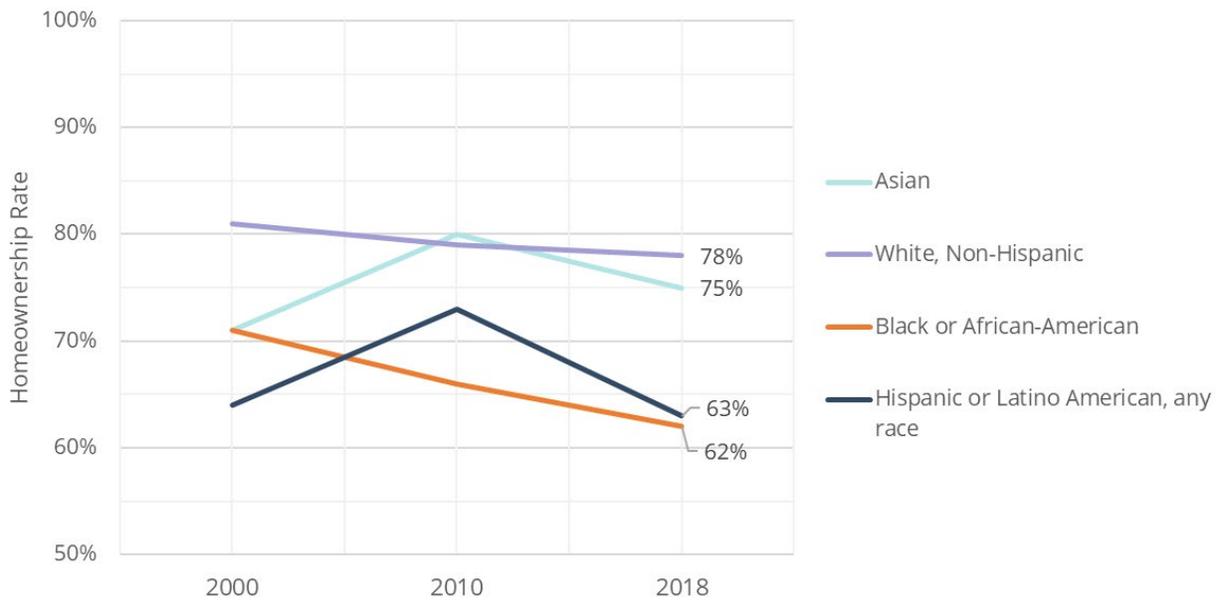


Fig. 24) Homeownership rate by race/ethnicity, 2000 to 2018, Source: American Community Survey, 5-year estimates



Fig. 25) Home price distribution by construction type, 2015-2020, Source: Bright MLS, Inc.

WHERE WE ARE

The average newly-built home is over 3,000 square feet and on a half-acre lot.

When a low supply of developable land increases acquisition costs, and with few incentives to increase density, homebuilders will recoup costs by building to the high-end of the market. Large homes on large lots make up the majority of new construction in the GWRC Region.

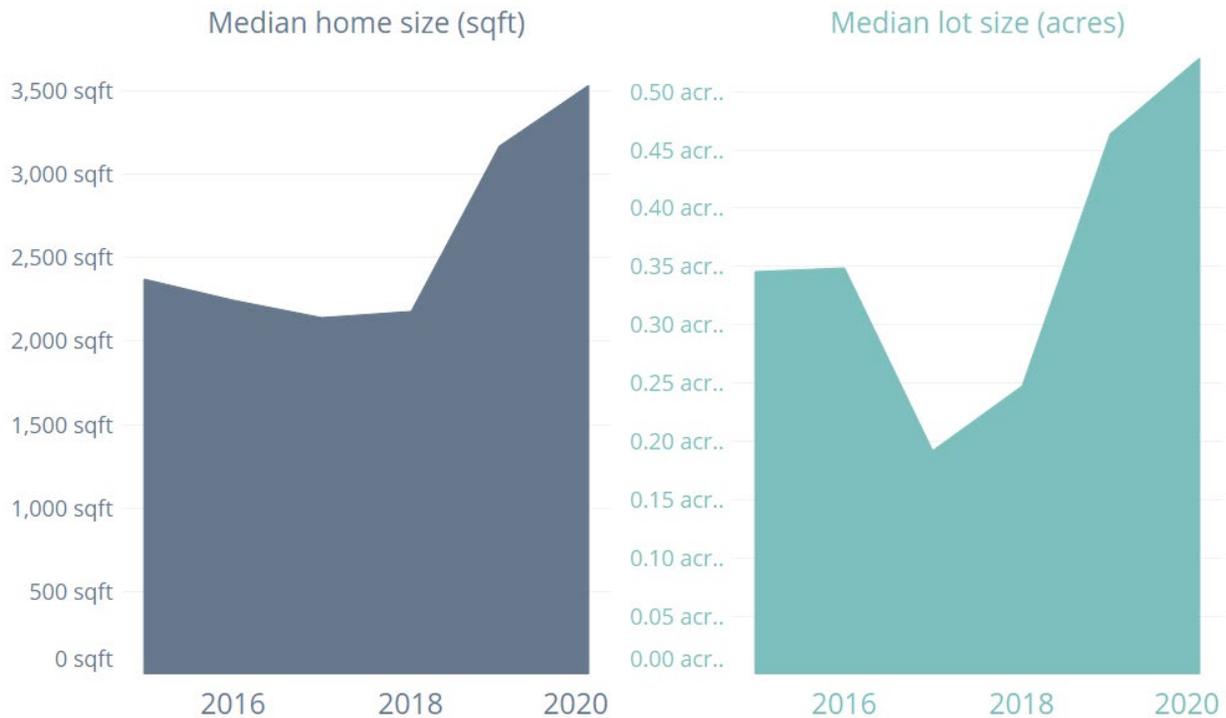


Fig. 26): Median home size and lot size for new construction homes in the GWRC Region, Source: Bright MLS, Inc.

While this product may suit upper-income buyers relocating from more expensive markets, first-time buyers (and even “upgrading” buyers) in the region are nearly always priced out. Furthermore, these homes are more often located further from existing developments and amenities, contributing to sprawl and traffic congestion.

Buyers have a strong preference for small- to medium-sized three-bedroom homes.

Based on MLS data and interviews with local real estate agents REALTORS, there is a clear market preference for homes around or below 2,500 square feet with at least three bedrooms. During the first half of 2020, the average home under 2,500 square feet sold in 10 days for fewer. Many homes are now selling in just days with multiple offers, price escalations, and closing prices over list.

First-time buyers have extreme difficulty competing in the tight market.

Discussion with local real estate agents revealed that first-time buyers currently have many disadvantages in today’s market. Despite steady incomes and good credit to obtain prequalification into the mid-\$200k’s, they may be cash-poor and unable to easily assemble assets for down payments and closing costs.



Fig. 27) Median days on market by home size, Source: Bright MLS, Inc.

Inexperience with the homebuying process also means they are less likely to take risks; for example, some repeat buyers are waiving appraisals and inspections to be as attractive to the seller as possible, even if these are not rational decisions—and may lead to significant troubles down the road. Repeat buyers are more willing to take these chances to lock in a contract and beat out first-time buyers.

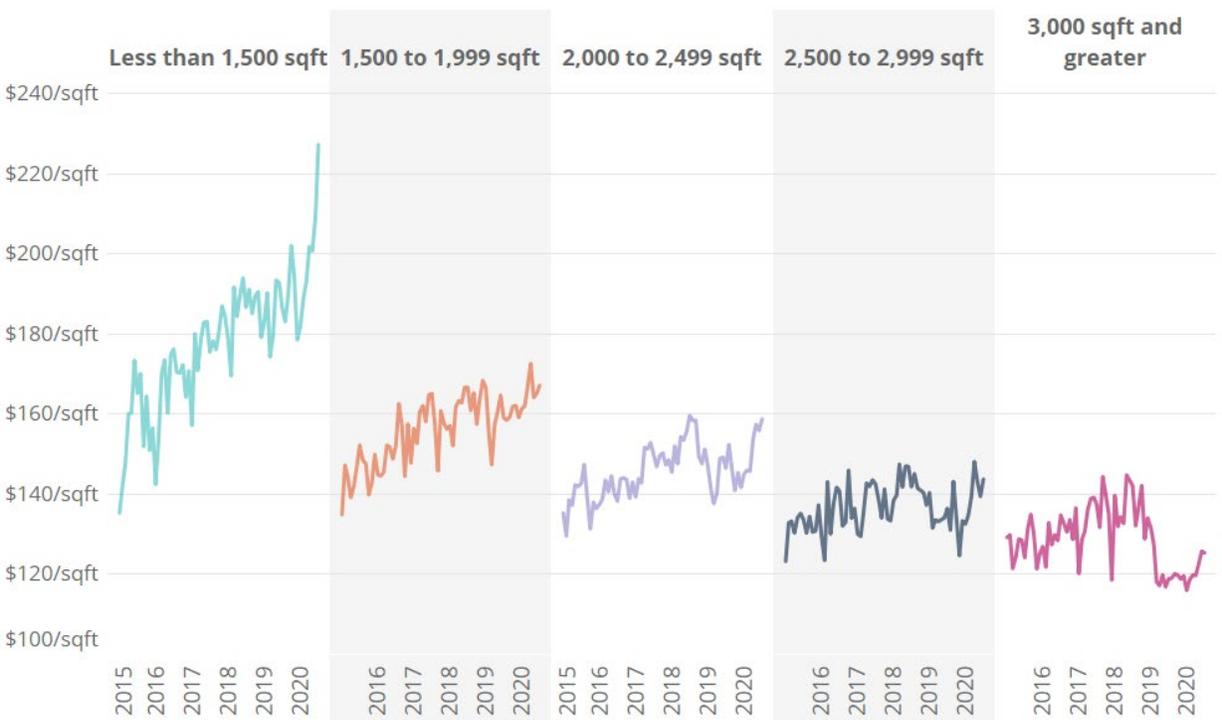


Fig. 28) Price per square foot by home size, Source: Bright MLS

WHERE WE'RE GOING

Townhomes present an opportunity to expand the supply of affordable starter homes.

Attached single-family homes (townhomes) are less common in the region but remain in high demand. While their average prices are also increasing, they are selling in the mid-\$200k's—a much more accessible amount for first-time buyers.

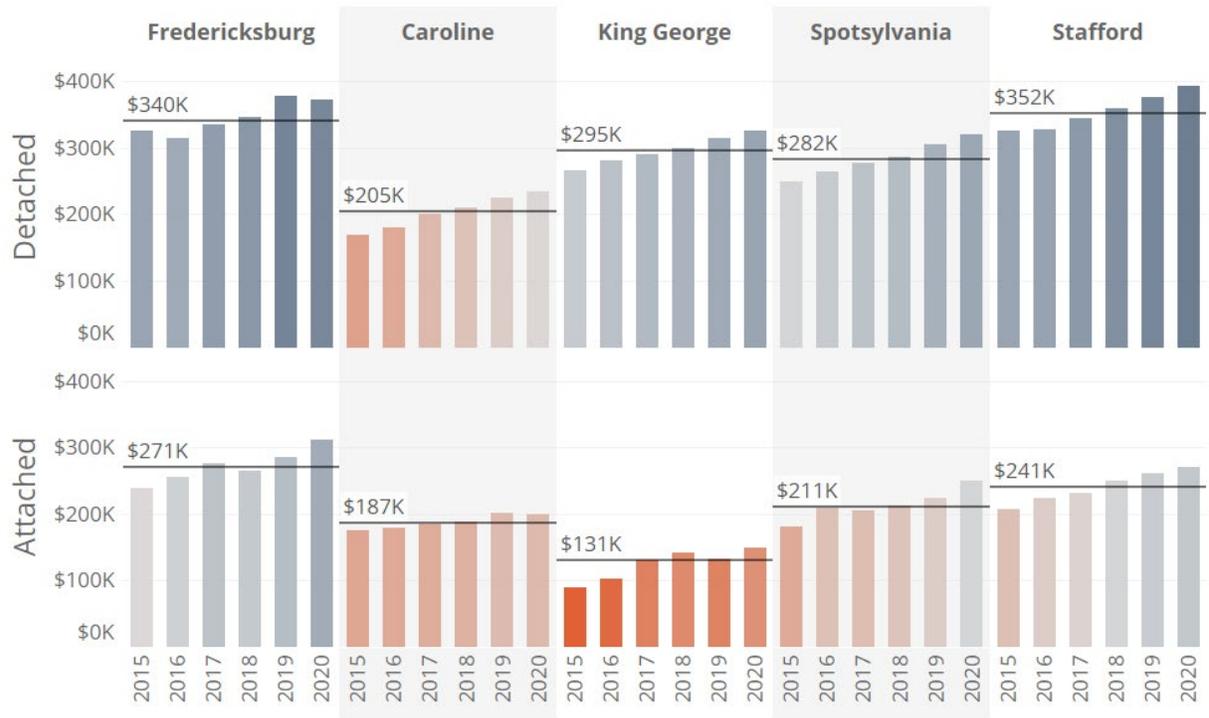


Fig. 29) Annual median home prices for detached and attached homes by locality, Source: Bright MLS, Inc.

Without major public policy and private market changes, homeownership in the region will become accessible only to high-end earners.

With no signs pointing toward significant increases in incomes for low- and modest-wage earners, rising home prices in the region will mean the security of homeownership is accessible only to high-income buyers. The homeownership rates for young couples and families, recent college graduates, returning veterans, Black and Latino households, and modest-income seniors will not improve, increasing the overall housing instability of the region and preventing thousands from accessing the most efficient wealth-building opportunity in America.

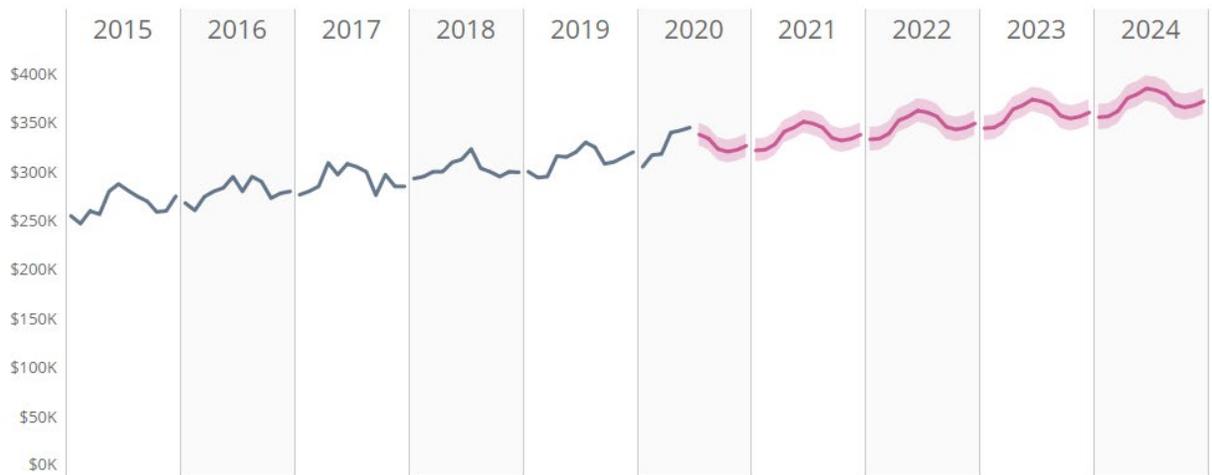


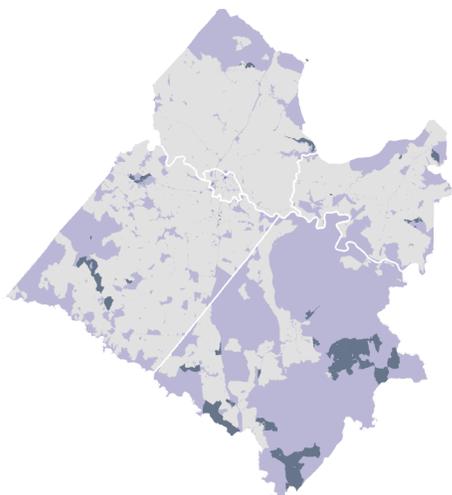
Fig. 30) Historical and forecasted median home price for the GWRC Region, Sources: Bright MLS, Inc. and HousingForward Virginia calculations

Changing demographics and work trends may require significant shifts in the region’s approach to homebuilding.

While it may still be too early to tell for certain, the COVID-19 pandemic could be amplifying two significant market trends. First, a desire for multigenerational and flexible living spaces, such as accessory dwelling units (ADUs); second, dedicated space and infrastructure for semi-permanent work-from-home capabilities.

To date, ADUs—whether within the existing envelope of a home or fully external—are relatively rare in the region. However, they may become a very useful tool to increase housing options for homeowners that wish to blend their household with additional family members, set up a rental unit for additional income, have a permanent home office space for telework, or have a dedicated quarantine space.

Additionally, the massive transition to work-from-home during the COVID-19 pandemic has exposed one major weakness of many new residential communities in the region: lack of broadband access. High-speed internet is critical for nearly all professional workers today, especially government employees and contractors who require secure connections. Real estate agents explained how many buyers will reject otherwise acceptable homes if satellite internet is the only option available. Furthermore, if only new large homes are built in areas where broadband is expanded, internet access will become less equal.



Underserved (45 Mbps downstream / 15 Mbps upstream transmission speed)

Unserved (15 Mbps downstream / 768 Kbps upstream or less transmission speed)

Fig. 31) Areas with underserved and unserved broadband access, Source: VITA



POLICY IMPLICATIONS

- Localities must reevaluate how their zoning and land use regimes are guiding new home construction away from affordable, attainable products. These conversations should be held in concert with the homebuilding and home-selling industries.
- To level the playing field for first-time homebuyers, the region will need to dutifully investigate specific barriers and embrace innovative forms of assistance.
- While the rolling impacts of the COVID-19 pandemic may not have stifled the homebuying market, it may have the effect of “knocking out” potential first-time buyers who suffered a temporary or permanent loss of income.
- As the region slowly recovers from and adapts to a “new normal,” localities should embrace measures to accommodate shifting needs and preferences, including flexible living options and increased internet access.

Senior Housing Needs

As the population of the region continues to age, the need for safe and affordable housing will only continue to increase. The Weldon Cooper Center projects that the region’s population 65 years and older will grow from 50,618 to 84,234 by 2040, a 66% increase. Nearly one in five residents will be a senior by 2040. Many seniors and those approaching retirement desire to age-in-place or move to housing that better meets their needs, but they, like many residents in the region, face challenges in securing housing.

Critical repairs and adapting homes to meet the physical needs of seniors can be difficult for low income seniors, while the majority of age-restricted developments are beyond fixed-income budgets. To meet those needs, many families are looking to have their aging parents live closer to them, if not with them. But the cost and challenges of multigenerational homes, whether in new construction or accessory dwelling units, have served as major barriers for households at all income levels.

For seniors wanting to sell their homes, the difference in the current value of their home and homes on the market is wide. Those looking to downgrade to smaller, low maintenance homes are being squeezed out of a market where there are few options that meet both their needs and budgets. This has left

many seniors in homes that don’t meet their physical or financial needs. At the same time, these homes, which would be starter homes for early career professionals or moderate-income families, are kept off the market, tightening an already tight market.

In 2019, the League of Women Voters of Fredericksburg Area (LWV) conducted a study of low income senior housing in the region. Their study highlighted not only the increasing senior population, but the housing cost burden that many seniors in the region face. Thirty-two percent of senior households in the region are cost-burdened and this number is only expected to increase over the next twenty years.¹²

Noting the insufficient supply of affordable housing, the LWV recommended several strategies that this report further supports. These strategies seek to provide seniors of all incomes with budget-friendly housing solutions. By providing seniors with more affordable and diverse housing options, residents of the entire region benefit.

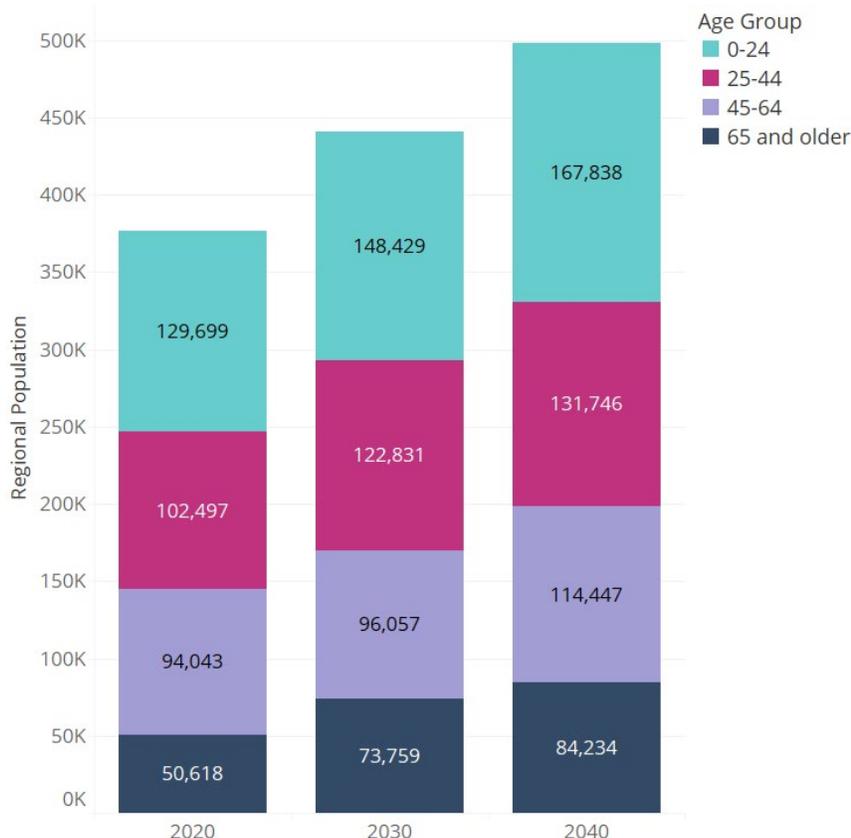


Fig. 32) Population projection 2020–2040, by age group, Source: Weldon Cooper Center

¹² League of Women Voters of Fredericksburg Area. (2019). *Affordable Housing for Low-Income Seniors in the Fredericksburg Area: Study Committee Report*. February 9, 2019.



POLICY IMPLICATIONS

- Localities in the region need to look beyond aging-in-place strategies and towards creation of new senior housing opportunities.
- Social services and healthcare providers like Mary Washington Healthcare have a vested interest in the quality of the region's housing, especially homes for aging persons with greater health needs.
- There is a need for more diverse housing options that include age-restricted, low income developments and multigenerational housing. Age-restricted LIHTC developments and other publicly-assisted production mechanisms that blend subsidies should be pursued.
- There are many programs in the region that currently help seniors with accessibility issues and tax relief, but expansion is warranted.

Student Housing Needs

The GWRC region's population is constantly changing as students come to attend the region's higher education institutions. For students, housing is an additional concern when studying for exams and working a job takes up a large portion of their time.

The University of Mary Washington (UMW) offers on-campus housing options that largely meet the needs of their roughly 4,400 undergraduate student population. Seventeen residence halls and apartment buildings are located across the Fredericksburg campus house over half of the undergraduate population, while those seeking housing off-campus find housing across the city and into parts of south Stafford.

UMW has no immediate plans to increase their student population and has focused on upgrading their current residential facilities, some of which date back to the 1950s. Expanding or developing new residential facilities is not a priority at this moment.

For the most part, UMW students who are looking for off-campus housing have been able to find homes for rent or apartments close to campus. However, like any other resident in the region, they face similar issues with housing affordability on the private market. To mitigate the cost of housing, many students opt for multiple roommates to afford rent.

With campuses located across the region, Germanna Community College (GCC) provides many local residents with valuable skills and resources to gain employment in the region. Germanna students are located across the entire region. Many students are full-time workers who have been impacted by the coronavirus pandemic. For the 2019-2020 school year, three in four students at GCC were 24 years old or younger and represent a substantial number of local residents who already are or will be entering the workforce. Meanwhile, the remaining quarter of GCC students are 25 years old or older, a portion of the existing workforce that are often seeking skills to gain better wages.

In a recent survey conducted by Germanna Community College, nearly 30% of students surveyed have often had concerns about their housing situation due to the impacts of COVID-19.¹³ For some, the choice between maintaining housing or continuing education has led to students being forced to drop out. Germanna students are not unlike many residents in the region who are having to make difficult choices about their spending in order to have a place to call home.

Overall, the region's student population is not unlike the rest of the population. They are looking for more diverse and affordable housing options that don't stretch their budgets. But for students, the costs of higher education are just another factor to consider when choosing housing that fits their budgets.

¹³Germanna Community College. (2019). *HEDS COVID-19 Institutional Response Student Survey, Comparison Report*. Released August 14, 2020.

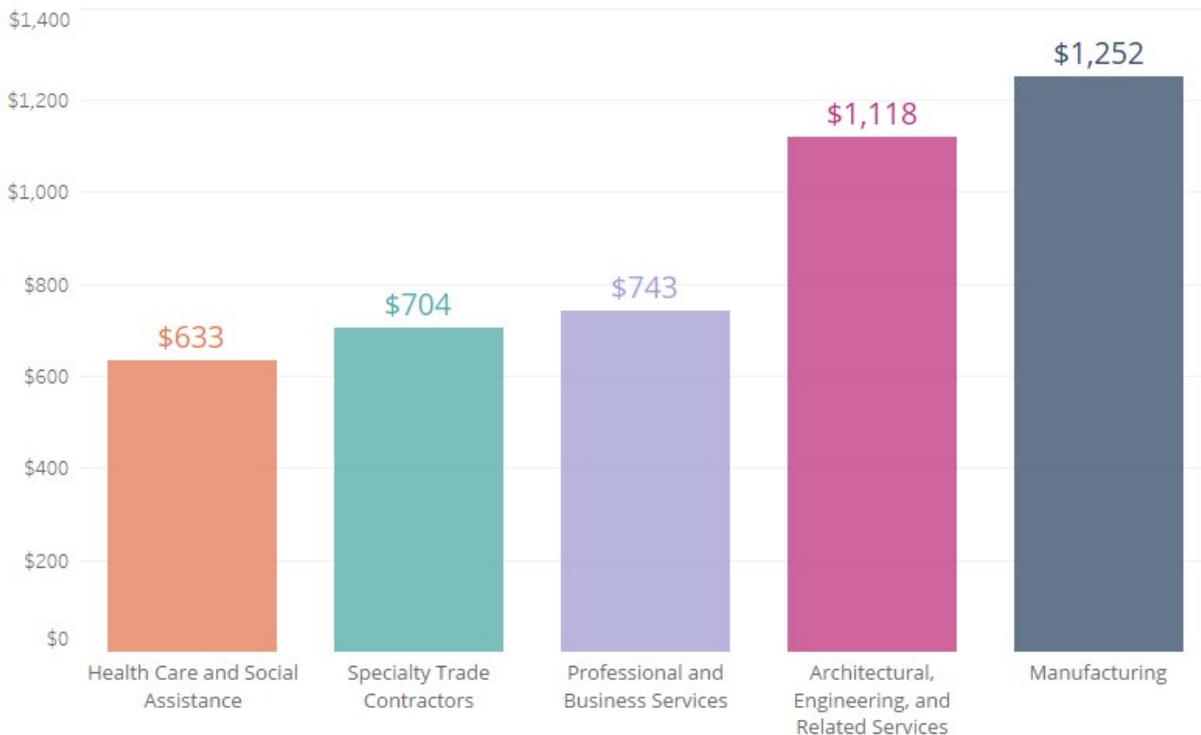


Fig. 33) Affordable monthly rent amounts based on median entry-level wages for selected industries, Source: VEC

POLICY IMPLICATIONS

- Increasing the supply of affordable housing options is critical to retaining a diverse and talented workforce. Many entry-level wages for jobs in important and essential industries do not allow a worker to find and afford a quality home in a neighborhood close to their place of work. Graduates may therefore seek jobs in regions with better housing options.
- Affordable and stable housing are areas of concern for higher education institutions in the region. Localities should increase their coordination with these institutions on land use and housing.
- There is a need for affordable rentals and homeownership opportunities to not only maintain a community college student population, but to retain the talent that is cultivated in the region's higher education institutions.

Active Duty and Veteran Housing Needs

Active duty military and veterans make up a significant share of the population in the GWRC Region due to the proximity of Marine Corps Base Quantico, Fort A.P. Hill, Naval Support Facility Dahlgren, and other installations. As of 2018, approximately 41,605 veterans call the GWRC Region their home. These veterans are also highly-educated; almost half (46%) have a bachelor’s degree or higher, providing a strong foundation for well-paying jobs after their service.

As a result, homeownership among active duty military and veterans is widespread and growing. In 2008, about 1,000 Veterans Administration (VA) home loans were issued in the GWRC Region. By 2017, that annual figure had doubled to over 2,100. When compared to conventional home loans and FHA-guaranteed home loans, VA home purchases expanded much more significantly following 2008. These loans helped the GWRC Region see homeownership gains while the market contracted on the whole; however, veterans still need to meet income and credit requirements to qualify for a loan, so some former service members without full-time employment may be left out.

Assignments to military bases across the nation and internationally also lead to an increased demand of rental housing. High-mobility service members may prefer to rent their home for greater flexibility.

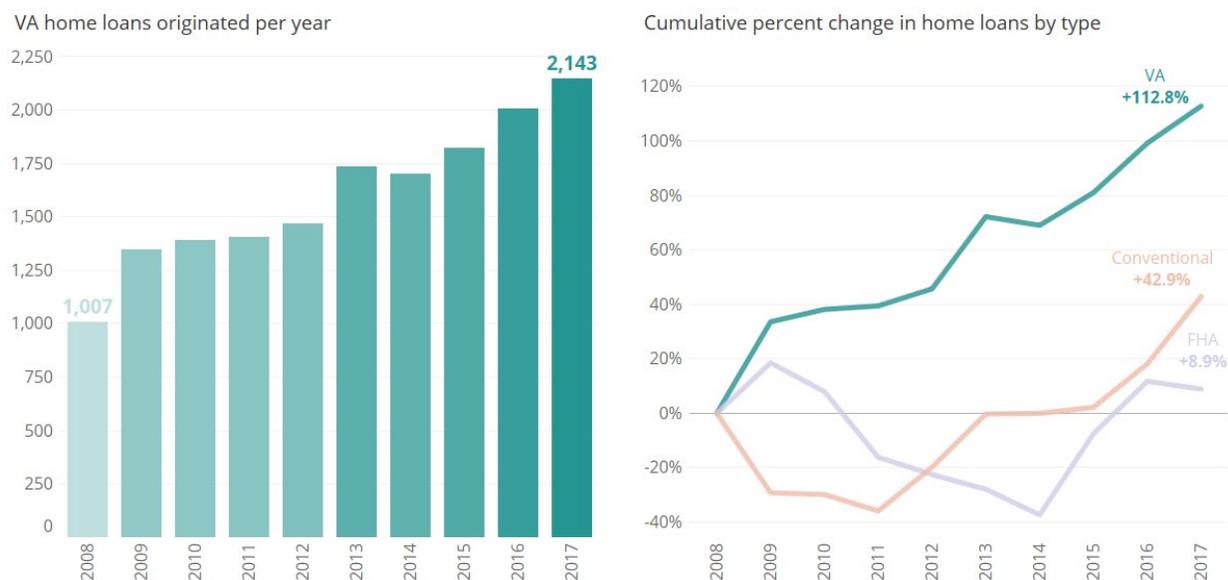


Fig. 34) VA home loans in the GRWC Region, 2008-2017, Source: HMDA

At the other end of the housing spectrum, veterans also struggle with homelessness. Statewide, the number of homeless veterans has greatly decreased over the past decade. This decline can be attributed to a large statewide effort to functionally end veteran homelessness beginning in 2013.¹⁴ In the GWRC Region, the number of homeless veterans was at its lowest point in 2017 (8 persons), then increased to 22 in 2018, and was 13 most recently in 2019.

¹⁴ Ending Veteran Homelessness in Virginia: A Statewide Collaboration, National Alliance to End Homelessness (<https://endhomelessness.org/resource/ending-veteran-homelessness-virginia-statewide-collaboration/>)

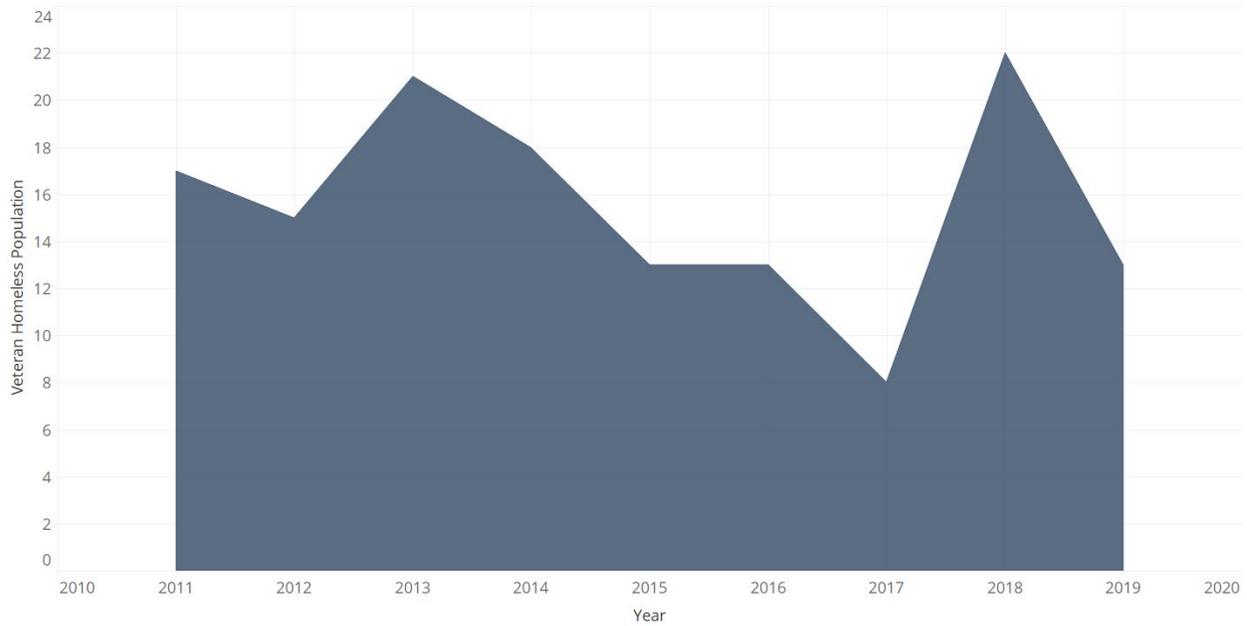


Fig. 35) Number of homeless veterans in the GWRC Region, Source: HUD CoC PIT Counts

POLICY IMPLICATIONS

- The prevalence of military installations in and near the GWRC Region produces a large number of active duty and veteran households. Creating permanent housing opportunities for this population will help the region expand their tax base and workforce.
- Veterans in the GWRC Region are very likely to seek homeownership using VA loans. The region should continue to supply a stock of homes affordable to multiple income levels to help these households stay in the area and build wealth, rather than seek homeownership elsewhere.
- While veteran homelessness is rare in the GWRC Region and the commonwealth as a whole, homeless service providers should continue their efforts to make these occurrences brief and non-recurring.

Homeless and Precariously Housed Population Needs

While the reasons that people experience homelessness vary, one of the most important steps towards leaving homelessness behind is a safe and stable place to live. Through consistency and safety, a shelter or home can provide enough respite to address issues through case management and other wraparound services.

In recent years, many families experiencing hardships have found shelter in the region’s hotels and motels. While this situation keeps these households out of emergency shelters, such living arrangements are not sustainable and an inadequate replacement for long-term permanent housing. In fact, many families indefinitely living in hotels are paying more per month than they would for a normal apartment—but are “locked out” of the normal housing market because of credit issues, previous evictions, limited assets for deposits, and other challenges.



Fig. 36) Types of homeless populations from 2010 to 2019, Source: HUD CoC PIT Counts

Following the recession, the number of homeless persons in the GWRC Region who are unsheltered or chronically homeless has steadily decreased to below 80 total in 2019. Over that same period, the number of homeless persons in shelters has slowly increased to over 180 in 2019.

Along with point-in-time (PIT) counts, another measure of homelessness is done by counting precariously-housed students in public schools. These numbers include students who are “doubled up” and living with friends or family members. As of the 2018-2019 school year, over 1,000 students in the GWRC Region are homeless.

POLICY IMPLICATIONS

- While the region has been recently successful finding temporary housing for homeless persons during the COVID-19 pandemic, additional resources and solutions are needed to make this progress permanent.
- Innovative solutions are needed to address families using hotels and motels as semi-permanent living situations.
- The current Continuum of Care strategic plan provides a road map for solving homelessness in the region and should be implemented in concert with this report.

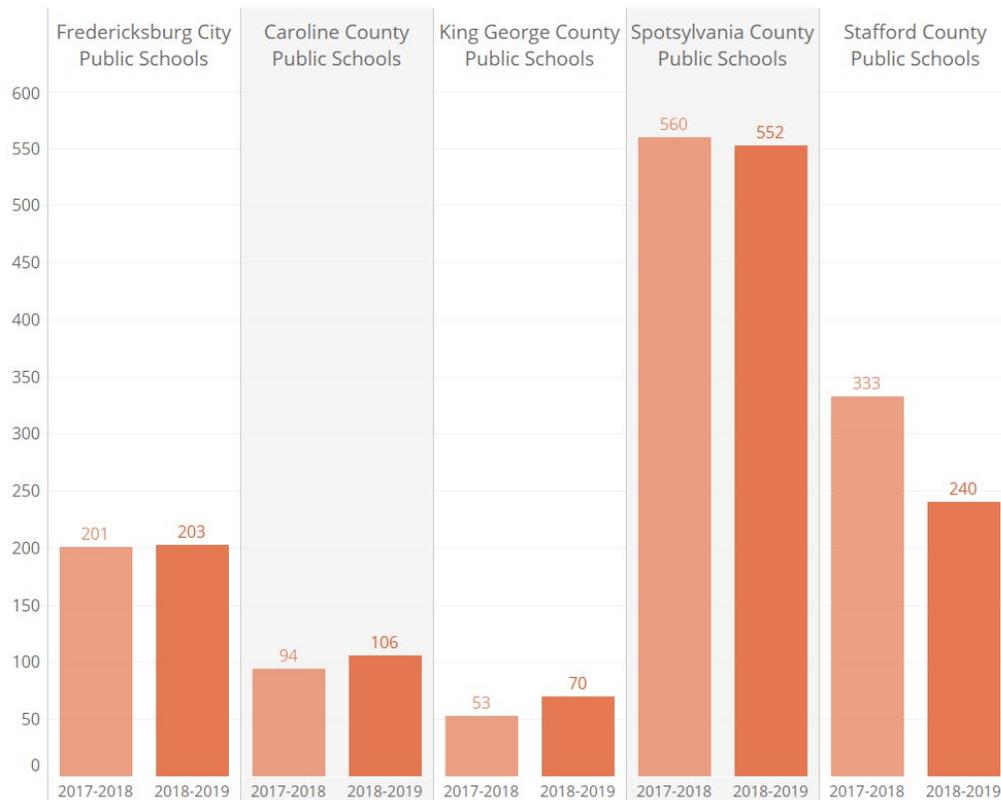


Fig. 37) Homeless children by locality, Source: McKinney-Vento data from Project Hope Virginia, William & Mary

HOMELESSNESS PLANNING IN THE GWRC REGION

Homelessness is the result of cascading missed opportunities: a small supply of low-cost and low-barrier homes, limited capacities for mental health and substance abuse challenges, economic hardships due to job losses and family separations. A combination—or even just one—of these problems can send a person into homelessness.

While this report addresses many of the “upstream” housing problems in the region, including those directly linked to housing instability, it does not deeply cover homelessness. This is not an abdication of the region’s responsibility to solve homelessness. Rather, it is an opportunity to highlight and promote an existing action plan recently developed to end homelessness: the **Fredericksburg Regional Continuum of Care Strategic Plan for 2021–2023**.

The Fredericksburg Regional Continuum of Care (CoC) is a network of community organizations and individuals working together to prevent and end homelessness in the region. The CoC, which is staffed by GWRC, is guided by a board of directors with decades of collective experience in homelessness.

The new CoC strategic plan is organized into three goals:

1. Achieve a housing-focused homelessness response system that is comprehensive and effective.
2. Strengthen the internal operations of the CoC to effectively support community strategies to address homelessness.
3. Enhance the CoC’s role as the community leader and subject matter expert on homelessness.

Visit the GWRC website to read the full plan.

Just as different geographic parts of the region require unique solutions, different demographic segments of the region's population require custom-tailored strategies to meet their specific housing demands. Solutions can take the form of; 1) creating new housing at a range of price points, to alleviate supply constraints or 2) working with existing housing to increase quality and affordability. These solutions provide options for both and are also organized according to a series of categories, listed below, for ease of use.

This section provides an easy-to-use menu for practitioners to understand a wide variety of affordable housing solutions and opportunities. Each solution is summarized to include:

- What it does
- How to implement
- Resources needed
- Implementers and roles
- Projected outcomes
- New legislation needed, if any
- Key challenges
- Applicable localities

Solutions are divided into five categories and organized by level of difficulty from easiest to hardest:

CATEGORY 1: HOW TO LOWER THE COST OF NEW HOUSING

Local jurisdictions can support new housing production through either direct funding resources or through lowering the cost to build the housing. This category focuses on the latter. These cost-lowering measures generally involve streamlining, increasing the opportunity for and otherwise easing the methods used to build affordable housing so that less direct subsidy is required to achieve the production of new affordable housing.

CATEGORY 2: HOW TO DEVELOP NEW HOUSING RESOURCES

New affordable housing utilizes financial resources from a wide range and typically involves multiple sources of financial support to succeed. Financial support often comes in the form of Federal and State level subsidies but there are many ways local jurisdictions can create direct financial resources to supplement other subsidies and thereby increase the production of new affordable housing.

CATEGORY 3: HOW TO PRESERVE AND IMPROVE EXISTING HOUSING

Much of a jurisdiction's affordable housing opportunity lies in its existing housing stock, particularly its lower quality or older housing. This housing is also the most vulnerable to gentrification and other market forces that will remove it from the affordable stock. This category of solutions covers ways that jurisdictions can improve, preserve and protect this existing housing stock.

CATEGORY 4: HOW TO INCREASE HOUSING OPPORTUNITY

Access to housing is also a barrier for many who need quality, affordable housing. Many groups of people including those with disabilities, veterans, special needs populations, seniors, members of a racial group experiencing discrimination, etc. require government intervention to ensure fair access to housing. These solutions focus on ensuring equal access to housing.

CATEGORY 5: HOW TO EXPAND COLLABORATION

Financial resources are not the only barrier to the creation of new affordable housing. Public opposition, lack of public awareness, and difficulty in coordinating complex systems are also barriers. This category focuses on soft power solutions to increasing the likelihood of success for new affordable housing creation.

List of Solutions (ordered by difficulty)	
1.0 // How to lower the cost of housing	
1.1	Promote “income averaging” in LIHTC properties to achieve deeper affordability targeting
1.2	Implement a “Green-Tape” program to facilitate faster and less costly affordable developments
1.3	Use comprehensive plan updates to explore density options and expand housing education efforts
1.4	Expand accessory dwelling units in residential districts
1.5	Build smaller, less expensive homes to meet market demand and replace poor-quality housing
1.6	Develop local incentives that provide tax abatement for affordable housing communities in designated conservation and redevelopment areas.
1.7	Adopt transfer of development rights (TDR) programs to increase housing options
1.8	Establish a community land trust
1.9	Create and promote inclusionary zoning programs
1.10	Permit by-right multifamily housing in more residential zones
2.0 // How to develop new housing resources	
2.1	Advocate for the creation of a state housing tax credit to supplement the Federal Low Income Housing Tax Credit program and enable these projects to serve some households at the 30-40% AMI level.
2.2	Promote Virginia Housing (VH) Workforce Housing Loan Program to create Mixed-Use Mixed-Income (MUMI) projects
2.3	Expand utilization of USDA-RD 504 Rehabilitation Program.
2.4	Forge partnerships with anchor institutions to address housing challenges
2.5	Establish a regional housing consortium to pool federal housing resources to create more impact
2.6	Pursue the creation of a regional housing focused loan fund that provides short and medium term financing with concessionary terms.
2.7	Develop a regional housing equity fund that taps social investors who are willing to commit patient capital with below market return expectations.
2.8	Create programs that offer real estate tax “rebates” if developers meet pledged affordability commitments to serve low income households
2.9	Establish a regional housing trust fund
2.10	Incubate a new entity with powers similar to a housing authority

3.0 // How to preserve and improve existing housing

3.1	Promote and expand existing senior tax relief programs
3.2	Support and streamline programs for seniors to navigate and access assistance programs
3.3	Increase housing rehab and critical home repair assistance programs
3.4	Provide tax relief for long time neighborhood residents
3.5	Pursue implementation of property assessed clean energy programs for multifamily and single-family housing
3.6	Implement holistic code enforcement to preserve and improve existing housing
3.7	Improve aging housing stock by expanding resources and access to affordable rehab programs
3.8	Coordinate home assessment services with age in place improvements
3.9	Proactively design and build accessible housing
3.1	Preserve naturally occurring affordable housing through proactive outreach to building owners
3.11	Identify assisted housing communities at risk from expiring affordability restrictions; expand preservation efforts
3.12	Revitalize manufactured home communities and replace poor quality homes
3.13	Address the use of motels used as de facto affordable and transitional housing

4.0 // How to increase housing opportunity

4.1	Increase housing choice voucher holders' success rate in finding housing
4.2	Encourage CDCs and private developers to develop affordable and mixed-income housing in high opportunity areas
4.3	Encourage landlords to modify rental screen standards
4.4	Explore transit-oriented development / corridor development
4.5	Produce more age restricted housing that serves very low income seniors

5.0 // How to expand collaboration

5.1	Establish data sharing procedures among service providers and community organizations
5.2	Expand partnerships between hospitals, healthcare providers and housing providers
5.3	Create a center for first time, moderate-income homebuyer readiness
5.4	Begin awareness campaign to demonstrate the importance and value of affordable housing

Category 1: How to lower the cost of new housing

Solution 1.1 // Promote “income averaging” in LIHTC properties to achieve deeper affordability targeting

WHAT IT DOES

Federal law has always allowed for a range of rents in tax credit properties. But until 2018, the maximum rent was one that was affordable to households at 60% AMI. Frequently these properties might also include some rents affordable to 50% AMI, depending on the other types of subsidies that were available. Often the range of households served is narrowly in the 50-60% AMI band. Changes in LIHTC regulations in 2018 now make it possible to serve households up to 80% AMI, if these are offset with a corresponding number at a lower percentage of AMI.

HOW TO IMPLEMENT

This income averaging where higher rents “subsidize” lower rents makes it possible for LIHTC projects to serve a wider range of incomes. This method can achieve some deeply affordable units that otherwise are only possible when federal rent subsidies are available. The program also creates housing that is more truly a “mixed income” community.

WHO IS RESPONSIBLE

- Local planning and community development staff: encourage LIHTC developers to adopt deep skewing by accelerated development and permitting reviews, greater density, financial incentives, reduced parking requirements or other measures

PROJECTED OUTCOMES

This method can produce the type of more deeply affordable housing that is typically only achievable with rental assistance.

KEY CHALLENGES

- Understanding the internal financing parameters for a developer in order to create and offer appropriate incentives.
- Convincing LIHTC equity investors to accept the more complex feasibility and compliance issues associated with rent skewing.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: No

Solution 1.2 // Implement a “Green-Tape” program to facilitate faster and less costly affordable housing development

WHAT IT DOES

Within their existing planning and permitting programs, jurisdictions can streamline components of the new project review process and offer a “fast track” for projects that include affordable housing. The fast track can expedite items such as: permitting, public approval, special use, environmental review, infrastructure installation and other processes necessary for creating new housing.

“Green-Tape” programs also offer to waive fees for affordable housing developments. The faster and more predictable process coupled with lower fees means a lower cost affordable housing project.

HOW TO IMPLEMENT

Jurisdictions coordinate their various permitting departments (building department, planning and zoning, etc.) to create a separate, expedited review outside of the standard review process for qualifying affordable housing developments. Program parameters such as what types of projects qualify and the extent of the benefits to the program can vary.

WHO IS RESPONSIBLE

- Local planning, building, and permitting staff: Draft and implement the program guidelines and procedures
- Local planning commissions: Reviews and adopts ordinances
- Local governing body: Approve any ordinances necessary to create program

PROJECTED OUTCOMES

Green-Tape Programs can lower the cost and expedite the process (which lowers the cost) of new development which translates into increased affordability or additional affordable housing.

KEY CHALLENGES

- Streamlined permitting and approval processes is always a goal of jurisdictions yet can be difficult to achieve.
- A system must be in place to ensure projects applying for expedited review follow through to create the affordable housing stated in their permitting application.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: Yes, in the form of program administration only

Solution 1.3 // Use comprehensive plan updates to explore density options and expand housing education efforts

WHAT IT DOES

The comprehensive plan is a document that guides growth and development for communities over a 10 to 20 year period. Through the comprehensive plan, localities and communities envision a better future by strategically planning for the location and provision of land uses, public facilities, housing, and transportation. In Virginia, the comprehensive plan is a requirement for all localities and must “include the designation of areas and implementation of measures for the construction, rehabilitation and maintenance of affordable housing, which is sufficient to meet the current and future needs of residents of all levels of income in the locality while considering the current and future needs of the planning district within which the locality is situated.”

Engagement with community members is a vital part of the long-range planning process and provides feedback to localities on how the community wants to grow. At the same time, localities are provided with an opportunity to educate the community on strategies that support the provision of diverse affordable housing options.

HOW TO IMPLEMENT

The comprehensive plan offers a chance to explore potential growth scenarios and envision what a community might look like with increased density and affordable options.

Localities regularly defer to their adopted comprehensive plans to justify development decisions over the course of 10 to 20 years. In addition, localities are required to review their comprehensive plans every five years to determine if amendments are advisable.

WHO IS RESPONSIBLE

- Local planning department
- Local government, to adopt comprehensive plan

PROJECTED OUTCOMES

Through robust community engagement inherent in comprehensive plan updates, jurisdictions can begin to have conversations about affordable housing and density. Successful conversations would lead to a comprehensive plan that supports changes in zoning and new special use permits that would prioritize affordable housing and density.

KEY CHALLENGES

- Changes to the comprehensive plan alone will not create new affordable housing. The comprehensive plan amendments would be the beginning of a longer set of changes made by localities.
- Comprehensive plan amendments take time

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: No

Solution 1.4 // Expand accessory dwelling units in residential districts

WHAT IT DOES

Accessory dwelling units (ADUs) are small homes owned and managed by existing homeowners in the community. ADU programs often allow single-family homeowners to build small “accessory” units in garages, in the back or side yards, or attached to their home. Some programs also allow ADUs within the existing building’s structure. These units are low-cost by virtue of their small size and can be a source of affordable rental housing for young workers, seniors, and others—and often help families stay together on their property. In the case of seniors, ADUs can house family members or other caretakers. Seniors can also downsize into the ADU and lease the house to a larger family, using the extra income for health or other needs.

HOW TO IMPLEMENT

Through changes to the local zoning ordinance, a jurisdiction can permit development of additional housing units on parcels currently zoned exclusively for single-family units. ADUs may be allowed by-right in certain districts or permitted with a conditional approval. After construction, localities will issue a certificate of occupancy that allows the homeowner to lease out the unit.

WHO IS RESPONSIBLE

- Local planning staff: researches and drafts ordinances; undertakes community outreach
- Local planning commission: reviews and recommends ordinances
- Local governing body: takes final action on adoption

PROJECTED OUTCOMES

ADUs create two affordable housing benefits: they create more affordable rental housing without subsidy, and they provide an additional source of income for single-family homeowners. ADUs are small enough in scale that homeowners can more easily afford the cost of construction, and the units have limited impact on the surrounding neighborhood.

KEY CHALLENGES

- Considerations of neighborhood character and how to safely and cohesively allow for this new type of development can be addressed during the process of making zoning changes and through developing thoughtful program guidelines.
- Some programs require owner occupancy of the primary living unit. This requirement severely restricts participation, especially by seniors who may be interested in downsizing to their accessory unit. Programs can instead be designed with greater flexibility.
- Some programs require accessory units to be attached or detached rather than allowing them to be within the existing building envelope. The option of putting a small apartment on the second floor of an existing home is frequently the cheapest and most desirable option for a homeowner. Updates to zoning ordinances should pay special attention to any requirements in local and state building code.
- Parking is often a neighborhood concern, especially in older, dense urban neighborhoods. Experience in many programs demonstrates that parking is seldom significantly impacted in such areas when well designed ADU programs are implemented.
- Individual homeowners may need assistance in developing this housing type and taking on the responsibilities of the role of landlord.
- Underutilization is possible where knowledge, education, and other resources for property owners are not available.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: No

Solution 1.5 // Build smaller, less expensive homes to meet market demand and replace poor-quality housing

WHAT IT DOES

In the 1950s the average home size was less than 1,000 square feet. Over the next 50 years, it more than doubled. Today, the average size of a new home in the GWRC Region is over 3,500 square feet, but millennials and downsizing baby boomers are both looking for smaller homes. Smaller homes are not only cheaper to build, but also less expensive to heat and cool.

HOW TO IMPLEMENT

Builder and developer profits are tied to home prices, which are influenced by lot sizes, home sizes, finishes, and features. These factors are guided in large part by local rules and regulations. If these guidelines favor larger homes on larger lots, the industry will seek greater returns on the fewer number of homes allowed per given acre. Localities should examine ways their land use regulations are preventing smaller, more affordable homes from being developed.

Factory-built housing can also help to reduce cost and provide smaller homes. Cost reductions are achieved by reduced material waste, lower labor costs and faster production as a result of a controlled environment. These homes may be manufactured



(built and delivered as one unit that conforms to HUD guidelines) or modular (built and delivered as several modules that are assembled on-site to local building codes). Affordable housing providers are also experimenting with new innovations in the industry such as 3-D printing and the use of recycled shipping containers.

WHO IS RESPONSIBLE

- Local planning and permitting staff: identify any barriers to small home production and recommend changes, ensure that smaller homes are included in future land use planning efforts
- Developers and builders: increase the number of small homes produced in new developments
- Lenders: expand financing options for smaller homes, including manufactured and modular homes

PROJECTED OUTCOMES

Smaller homes are much more likely to cost less to build, and therefore much more likely to be sold at a price that is attainable to low- and moderate-income buyers.

KEY CHALLENGES

- Small homes are perceived to be inconsistent in neighborhoods with larger homes. These homes are sometimes opposed with the belief that they will cause values to drop, even though there is no evidence of that.
- Large lots have values that encourage or require higher priced, larger homes to be built on them.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: No

Mobile, Manufactured, Modular, and Tiny Homes: What's the Difference?

Mobile homes

Prior to 1976, there were no federal regulations for factory-built homes—units built prior to this date are the “mobile” and “trailer” homes often represented in media. These mobile homes are smaller and not built to last. Nearly all mobile homes have now reached the end of their functional lifespan and need replacement.



Manufactured homes

Manufactured homes are completely constructed in a factory setting. They are then transported to the site, placed and affixed to a permanent foundation, and connected to utilities. They are very rarely ever moved again. They are built according to federal construction codes from Housing and Urban Development (HUD) first established in 1976. To meet these codes and receive a HUD permit, manufacturers must conform to certain quality, safety, and efficiency standards.



Modular homes

Modular homes are also built in factories, but are instead governed by local/state building codes. Workers build large components (e.g., wall sections) in controlled settings, which are then transported and assembled at the home site. For this reason, modular homes offer greater design and size options, but at higher cost than wholly manufactured homes.



Tiny homes

Tiny homes are generally very small homes (under 400 square feet) built directly on a chassis and easily transported. Unlike the other types above, a “tiny home” is a cultural term and has no specific regulatory or policy definition. Some self-made tiny homes may not conform to any federal, state, or local building codes. Manufactured home builders have recently started offering “Park Model” homes that are built to ANSI standards for recreational vehicles (RVs).



Fig. 38) Differences between mobile, manufactured, modular, and tiny homes

Solution 1.6 // Develop local incentives that provide tax abatement for affordable housing communities in designated conservation and redevelopment areas

WHAT IT DOES

Under Virginia code (Section §58.1-3219.4) localities may grant partial tax exemption to new or rehabilitated properties located in designated redevelopment or conservation areas or in rehabilitation districts. The locality can establish the terms of such exemption—including the requirement to meet defined affordability terms. Property taxes are a significant element of a rental property's operating expenses. A reduction in taxes can translate directly to a reduction in rents. Units with lower rents can be designated to serve lower income tenants.

HOW TO IMPLEMENT

Local governments would establish such areas or districts in accordance with state law. They would also set the terms for affordability that would qualify the property for the abatement. The level of abatement and the term of abatement are also set by the locality within the statutory limits.

WHO IS RESPONSIBLE

- Local planning staff: determine area designation(s)
- Local government staff: establish program design
- Local governing body: approves ordinances

necessary to program

PROJECTED OUTCOMES

Tax abatements can incentivize private rental property owners to set aside, as well as maintain affordable housing units in naturally occurring affordable housing. Reduced operating costs can translate to affordable units, as well as additional profit for property owners. Although reduced property tax revenues will occur, the savings will be realized through the preservation of affordable housing units in the long-term.

KEY CHALLENGES

- Requires some level of staff knowledge and experience to set abatement levels to obtain certain levels of rent reduction. Requires annual reporting and monitoring. While abatement for rehabilitation has been commonplace in Virginia, abatement for affordability is not widely in practice.
- Programs would need to be tightly drawn to avoid abuses. This is not recommended for homeownership programs except where long term affordability requirements (i.e., community land trust) are in place.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: No

Solution 1.7 // Adopt transfer of development rights (TDR) programs to increase housing options

WHAT IT DOES

Every property owner has rights, including the right to develop. By allowing for the transfer of these specific development rights from areas designated for preservation to areas designated for growth, localities can encourage denser, more affordable housing options and retain existing rural character by avoiding sprawl.

In the GWRC Region, Stafford County has a Transfer of Developer Rights program, and Spotsylvania County administers a Purchase of Development Rights program. Under a PDR program, localities extinguish development rights upon purchase, limiting the number of homes that could be built.

HOW TO IMPLEMENT

Virginia state code (§15.2-2316.2) permits localities to adopt TDR ordinances. In each ordinance, localities will designate “sending” areas that transfer development rights to “receiving” areas where the additional development rights are added. Property ownership does not change. Parcels with forfeited (transferred) development rights will carry deed restrictions that preserve open space. Parcels that receive additional development rights will use those credits to increase density which can lower costs. Localities with existing programs can seek to advertise and strengthen them.

WHO IS RESPONSIBLE

- Local planning staff: research and draft ordinances; undertake community outreach
- Local planning commission: review and recommend ordinances
- Local governing body: take final action on adoption

PROJECTED OUTCOMES

Suburban homeownership has traditionally been more affordable; but it has become steadily more difficult to obtain. A TDR program would help increase housing density in neighborhoods that have been collectively chosen for additional growth. Allowing additional density per acre will help developers offer lower-priced homes for ownership.

KEY CHALLENGES

- TDR programs are complex and require up-front research, along with education for property owners and developers.
- Designation of specific sending and receiving areas may be politically challenging.
- Only a few other localities in Virginia have adopted and operated TDR programs.

APPLICABLE LOCALITIES: Caroline, King George, Spotsylvania, Stafford

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: No

Solution 1.8 // Establish a community land trust

WHAT IT DOES

A community land trust (CLT) is an “equity sharing” model of homeownership that provides homeownership opportunities to modest-income buyers and keeps homes affordable for future generations by limiting a home’s future resale price.

HOW TO IMPLEMENT

The community land trust is a nonprofit organization that develops homes and retains ownership of the land under the house in perpetuity. The CLT leases

the land to the homeowner with a long-term lease at a nominal price, thereby reducing the cost of the house by the value of the land. The lease also contains restrictions that include an income limit for subsequent buyers as well as limits on the future sales price of the house. CLTs across the country use a variety of mechanisms to keep the price of the home affordable.

One of the benefits of the CLT model is that, unlike traditional homeownership programs, the home stays affordable for future buyers without the need for additional public subsidy. The board of directors for the CLT is composed of community representatives, local experts and stakeholders, and homeowners in the CLT program. CLTs can also be used for rental and commercial development.

WHO IS RESPONSIBLE

- Local nonprofit community land trust: develops housing, cultivates buyers, and administers program
- Local housing staff: assists CLTs with tax assessments, provides local funding, and ensures CLT is eligible for federal housing fund support including HOME and CDBG
- Mortgage lenders: create or modify lending products available for CLT homebuyers

PROJECTED OUTCOMES

One CLT home may serve ten or more low- and moderate-income households during its life cycle as compared with traditional models that only serve one. Because CLTs strive to be strongly connected to the neighborhoods they serve, they often prioritize homebuyer engagement and education in communities of color, which helps increase homeownership opportunities.

KEY CHALLENGES

- The CLT model can be difficult for homebuyers to understand and accept. It requires more interaction and counseling with potential buyers.
- The CLT model does not allow for as much equity building (wealth building) as a traditional fee simple homeownership model.

- Because land costs are rising in the GWRC region, a CLT will need a consistent source of support to be able to continue to purchase land.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: Yes; both for land acquisition and additional homebuyer subsidy at closing

Solution 1.9 // Create and promote an inclusionary zoning program

WHAT IT DOES

Inclusionary zoning programs, also known as affordable dwelling unit ordinances, direct or encourage below-market rate units in new housing developments in exchange for meaningful developer incentives. By codifying affordable home production in a locality's zoning rules, a range of housing prices and choices are delivered in all new residential developments. Nearly 500 communities across the country have a form of inclusionary zoning. Because developers provide affordable units without additional subsidy, most inclusionary zoning programs are targeted to households earning between 50% and 80% of AMI.

HOW TO IMPLEMENT

There are many different types of inclusionary zoning. Under Virginia law, localities may either choose to require affordable housing set-asides in all new development (including by-right), or elect to require it only when a developer seeks a rezoning or special use permit. The former (guided by Va. Code Ann. §15.2-2304) is known as mandatory inclusionary zoning; Virginia law permits this only in six localities, primarily in Northern Virginia. In such cases, developers set aside a certain portion of

affordable units in new developments in exchange for incentives like density bonuses and reduced parking requirements.

The latter, known as voluntary inclusionary zoning (guided by Va. Code Ann. §15.2-2305), is available for all other jurisdictions, including all five in the GWRC region. A locality may only require affordability set-asides in exchange for incentives if a developer requests a land use exemption, including rezonings and special use permits.

For either legislative path, localities that pursue inclusionary zoning programs which target the creation of rental units affordable to essential workers who earn 60% AMI or less. In 2020, these monthly rents limits top out around \$1,200—about \$500 below the average rent for a new construction apartment in the region. Prior to, or as part of, the policy drafting process, localities should hire consultants to conduct market assessments to fully understand the economic feasibility of inclusionary set-asides within new rental construction.

WHO IS RESPONSIBLE

- Local planning staff: Researches and drafts ordinances; undertakes community outreach
- Local planning commissions: Reviews and adopts ordinances
- Local governing body: Takes final action on adoption
- GWRC: Support and coordinate effort

PROJECTED OUTCOMES

Because inclusionary zoning can be used without additional public subsidy, it is not a program capable of producing a large number of deeply affordable homes. Rather, it is an important tool available to localities to guarantee some affordable homes are included in nearly all new private-market development—which generally occurs in higher-opportunity neighborhoods. New, robust inclusionary zoning programs in the region would help create and equitably distribute homes available to low and moderate income households.

KEY CHALLENGES

- Although mandatory inclusionary zoning has shown to be far more effective at producing affordable units than voluntary programs, Virginia law does not enable any localities in the GWRC region to adopt it. The region should consider lobbying for our localities to be included in the §15.2-2304 enabling legislation.
- Developers and builders may be opposed to new inclusionary requirements. However, well-designed programs offer substantial incentives to offset costs incurred by providing affordable units.

APPLICABLE LOCALITIES: Fredericksburg

REQUIRES NEW ENABLING LEGISLATION: Yes, if localities seek to develop an ordinance under §15.2-2304. Otherwise, no further legislation is required.

REQUIRES NEW FUNDING: No

Solution 1.10 // Permit by-right multifamily housing in more residential zones

WHAT IT DOES

New areas of potential multifamily development (i.e., especially where such development does not require a rezoning or special use permit) will foster new, multifamily rental and homeownership developments which will increase housing supply and relieve market pressure on rising rents and prices. Prioritizing high opportunity neighborhoods—ones with quality schools, jobs, transportation, and amenities—for this zoning change will enable new housing to be built in neighborhoods with a high quality of life for incoming residents.



HOW TO IMPLEMENT

Through changes to the local zoning ordinance, a jurisdiction can allow more multifamily development on parcels currently zoned for low-density uses. Localities may expand existing zoning districts or create and designate new ones.

WHO IS RESPONSIBLE

- Local planning staff: researches and drafts ordinances; undertakes community outreach
- Local planning commissions: reviews and recommends ordinances
- Local governing body: takes final action on adoption

PROJECTED OUTCOMES

Expanded multifamily zones will increase the supply of higher density housing that can serve a variety of uses such as homeownership, rental, market-rate and affordable, senior and non-senior housing.

KEY CHALLENGES

- Existing residents may have concerns over the impact that higher density housing will have on the quality of life in their neighborhood (impact on schools, traffic, parking, etc.).
- Large-scale education efforts may be necessary to build public support for added densities. Most notably, the City of Minneapolis recently eliminated zoning that is exclusively single family in its new comprehensive plan, but only after years of community outreach and engagement.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: No

Category 2: How to develop new housing resources

Solution 2.1 // Advocate for the creation of a state housing tax credit to supplement the federal Low Income Housing Tax Credit program

WHAT IT DOES

Housing tax credits offer a tax incentive to help subsidize the private development of affordable rental housing projects—both new construction and rehabilitation. The federal Low Income Housing Tax Credit (LIHTC) has been in place since 1987 and is the most important federal support for the production of rental housing.

Nearly 20 states also offer state housing tax credits. They function similarly to the federal program by providing affordable rental housing investors with a tax credit that reduces state tax liabilities in return for equity investment in affordable apartments. When state tax credits are paired with the federal tax credit, developers are better able to close the gap in financing deeply affordable units. State credits can also help to stretch federal credits so that more affordable housing can be developed.

As of August 2020, the General Assembly is entertaining the creation of a Virginia state housing tax credit that would be administered by Virginia Housing. Localities can advocate for and politically support this initiative to insure its success. Virginia Housing will deliver its report to the Governor and the General Assembly by September 2020. Legislative proposals are expected in the 2021 session.

HOW TO IMPLEMENT

Through direct lobbying of the legislature or through coordination with Virginia Housing Alliance, local jurisdictions can provide support to this new legislation and also help frame out the conditions for this new financial support. Virginia Housing Alliance (VHA) is a statewide affordable housing advocacy group. VHA is a membership based organization that, with its member's support, advocates for new affordable housing resources and laws. Local jurisdictions can become VHA members and lend their support to their efforts such as the creation of the state housing tax credit.

While the specific goals and targeting of the state tax credit are yet to be determined, it will likely facilitate the production of more affordable rental housing (by allowing LIHTC developers to increase the number of units they deliver) as well as enable some projects to serve households at the 40% AMI level, which is a lower affordability level than standard LIHTC units serve (50% to 60% AMI).

WHO IS RESPONSIBLE

- Local jurisdictions
- GWRC to coordinate efforts
- Virginia Housing Alliance

PROJECTED OUTCOMES

The state housing tax credit will directly result in additional affordable housing created throughout the commonwealth as it is a new source of funding to support this work. It does not rely on any additional local funding to be effective.

KEY CHALLENGES

- Local governments in the region may not see this potential program as a high priority for their state policy advocacy efforts in the 2021 General Assembly session.
- Because the annual allocation of credits by Virginia Housing is competitive, this policy won't necessarily result in new housing in the GWRC region each year, but it will facilitate a greater opportunity for it.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: Yes

REQUIRES NEW FUNDING: None required from localities; state tax credit would impact state revenues.

Solution 2.2 // Promote Virginia Housing (VH) Workforce Housing Loan Program to create Mixed-Use Mixed-Income (MUMI) projects

WHAT IT DOES

Mixed-use and mixed-income projects offer developers a greater opportunity for return on investment, but also allow for the creation of affordable housing units for diverse incomes. With greater income diversity and closer proximity to retail, localities can supply more affordable housing and address community revitalization needs. The Workforce Housing Loan Program offered by Virginia Housing provides flexible financing to encourage mixed-income and mixed-use/mixed-income developments. While mixed income is a required component of the project, mixed-use such as office or retail is an option but not required.

The program offers three loan options based on the percentage of units that are reserved for specified income levels: 1) Workforce 20/80, where 20% of units must be restricted to incomes less than or equal to 80% AMI and the remaining units are unrestricted, 2) Workforce 40/60, where 40% of units must be restricted to incomes less than or equal to 100% AMI and the remaining units are unrestricted, and 3) Workforce 100, where 100% of units are restricted to incomes less than or equal to 150% AMI.

VH provides low-interest loans to developers in

order to achieve this affordability. Developers apply directly to VH for the loan and VH sets the terms of affordability with the developer including the term of affordability. VH monitors the property for compliance throughout the lifetime of the term of affordability.

HOW TO IMPLEMENT

Because MUMI projects work well in mixed-use buildings or developments, developers often use this financing in historic downtown revitalization projects (this has the added benefit of often also allows for the utilization of historic tax credits). Jurisdictions can identify properties that would be suitable for this development type and work with area developers to envision a project. Local government support of projects is very important to Virginia Housing and projects work even better if local jurisdictions can provide financial support in the form of CDBG grant funds, local housing trust fund dollars or various tax incentives detailed in other solutions in this report.

Local jurisdictions could also implement a program of this type by approaching Virginia Housing directly and working collaboratively with the Agency to develop plans for specific projects and then soliciting developer participation.

WHO IS RESPONSIBLE

- Real estate developer/ property owner
- Virginia Housing
- Local planning departments if zoning amendments of special use permits are required
- Local government financial support can benefit these projects

PROJECTED OUTCOMES

New affordable housing will be created in mixed rental developments that previously would have been 100% market rate.

KEY CHALLENGES

- A market with strong market-rate rents is important so that those higher rents can support the lower, more affordable rents.
- This program relies on willing property owners and developers interested in pursuing this type of program
- Developers with experience in seeking Virginia Housing financing will be more successful

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: No

Solution 2.3 // Expand utilization of USDA-RD 504 Rehabilitation Program.

WHAT IT DOES

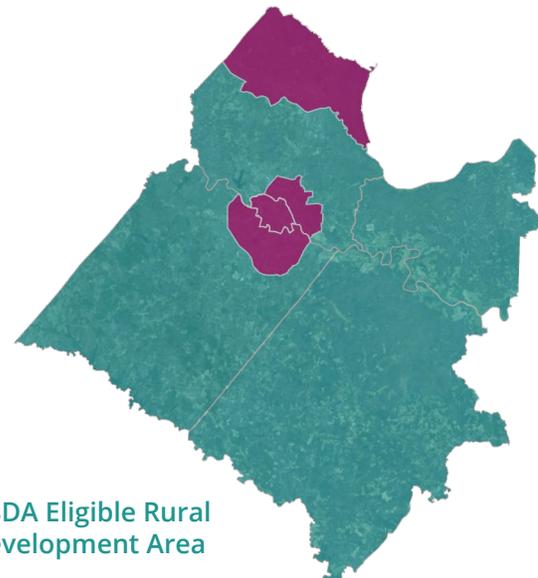
In rural areas, residents are facing the challenges of aging housing and waning resources. In order to preserve rural housing, the Rural Development office of the United States Department of Agriculture (USDA) administers the Section 504 Home Repair Program, or Single Family Housing Repair Loan and Grant Program. This program provides loans to low income residents and grants to elderly residents in rural areas to ensure that residents are able to maintain their homes.

The purpose of USDA-RD 504 loans is to provide low income residents with necessary funds to repair, improve, or modernize their homes. In order to qualify, the borrower must be the homeowner, occupy the house, and be unable to obtain affordable credit anywhere else. The income limits for the program are set at below 50% AMI. Grants are provided to elderly residents who are age 62 or older and meet the preceding requirements in order

to remove health and safety hazards within the occupied home.

The 504 Program provides low interest (1 percent for 20 years) loans to very low income homeowners to repair, improve, or modernize their homes; or grants to elderly very low income homeowners to remove health and safety hazards. This program has been underutilized in Virginia, and efforts should be undertaken to enhance the effectiveness of the delivery system for 504 loans and grants. The maximum loan amount is \$20,000 and the maximum grant is \$7,500. Loans and grants can be combined for up to \$27,500 in assistance.

Updates to the program occurred in September 2019 expanded grant opportunities to homeowners living in extreme poverty.



USDA Eligible Rural Development Area

USDA Ineligible

Fig. 39) USDA eligible areas in the GWRC region, Source: USDA

HOW TO IMPLEMENT

Rural areas are designated by the USDA as areas with a population less than 35,000. Residents in these areas may apply directly to their local Rural Development office for a loan or grant or utilize a loan application packager. Any public, tribe, or private nonprofit organizations that are tax exempt under the IRS Code can become a packager. Local organizations in the region may already provide this

service. While grant funding is limited through this program on a statewide level, the loan funds are virtually unlimited.

To increase utilization, localities should coordinate together to create a “one stop shop” for homeowners to learn about the program, determine eligibility, and get quickly connected with USDA-RD. Localities should work to designate a local “packager” of the 504 loans (via a government office or an existing nonprofit). This staff would build a relationship with Rural Development, learn the program regulations and assist households in applying for 504 loans. Localities should also develop strong relationships with the administrators at the USDA-RD Virginia Area 3 offices in Culpeper and Fredericksburg who service localities in the GWRC Region.

WHO IS RESPONSIBLE

- Local nonprofits or local government office that can serve as loan packagers
- Local nonprofits who can administer the repair program
- USDA Rural Development

PROJECTED OUTCOMES

Very low income households, particularly seniors, will have the ability to make critical repairs to their homes. These homes will remain safe and affordable for current residents, and will ensure a lasting inventory of quality homes for future generations.

KEY CHALLENGES

- The program requires the navigation of federal red tape.
- This program is limited to rural jurisdictions.

APPLICABLE LOCALITIES: Caroline, King George, Spotsylvania, Stafford

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: No

Solution 2.4 // Forge partnerships with anchor institutions to address housing challenges

WHAT IT DOES

Anchor institutions have a broad impact on social and economic trends in the region. These include universities, healthcare systems, major employers, entities that are major destinations, and other organizations whose investments and spending significantly impact local economies. These entities also include corporations, governments, arts and cultural institutions, sports facilities and teams, among others. Anchor institutions are major determinants in the direction and future status of communities.

In recent years, anchor institutions have begun to look beyond the bounds of their core activity and to explore how they can address other issues affecting the vitality of the community, as well as the welfare of their employees and customers. Partnerships can take myriad forms and can include financial and intellectual capital, services, targeted programming and many other activities.

HOW TO IMPLEMENT

Housers and anchor institutions must work together to identify areas of mutual concern and then work through a range of issues around community engagement, program design, funding and implementation. Another common example is when anchor institutions create incentive programs that assist their employees in being able to afford decent housing. Often, these efforts are focused on homeownership.

WHO IS RESPONSIBLE

- Anchor institutions
- Housing providers
- Local government

- CDFIs
- Virginia Housing and other housing lenders
- GWRC

PROJECTED OUTCOMES

Anchor institutions have the ability to improve housing choices in numerous ways. They can mobilize financial and human capital at scale in order to address the full range of housing challenges identified in this report.

KEY CHALLENGES

- Finding the nexus where the specific interests of the anchor institutions and the housing community intersect.
- Understanding how to scale initiatives so that their impact is commensurate with their other activities and influences in the region
- Engaging early since the planning windows of these institutions is typically very long range.
- Helping anchor institutions understand the intricacies of funding affordable housing initiatives and helping the housing industry understand the constraints and expectations of the anchor institution.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: Yes (from anchor institutions)

Solution 2.5 // Establish a regional housing consortium to pool federal housing resources to create more impact

WHAT IT DOES

A regional housing consortium is a formal sharing/reciprocity agreement made between multiple local governments throughout a region to pool funds for the purpose of affordable housing. Smaller jurisdictions have access to federal Community Development Block Grant (CDBG) and HOME funds for a variety of local purposes, including affordable housing. An individual jurisdiction's pool of available CDBG funds is generally not sufficient to, for example, provide "gap" financing for a new multifamily affordable housing project because housing is costly to build. Through regional consolidation, these funds can be sufficiently pooled to close the gap and contribute to the financing of a new project.

HOW TO IMPLEMENT

The regional consortium agrees to pool resources and to develop a reciprocity arrangement whereby each participating jurisdiction can have access to the full pool of funds for a project. Jurisdictions take turns utilizing the pool of funds for projects in their jurisdictions. This means each jurisdiction has to wait its turn, but without the pooling it is likely an individual jurisdiction will never have sufficient resources to complete a stand-alone project. Non-traditional federal sources for housing including New Market Tax Credits and Opportunity Zone credits can also be used to generate capital for the affordable housing pool. This innovative approach may also attract the interest of private philanthropy and social investors.

In Virginia, a successful example of this solution is the New River Valley HOME Consortium. The consortium is a regional collaboration between the counties of Floyd, Giles, Montgomery, Pulaski, towns within those counties, and the City of Radford. By working together, the localities can pool housing dollars more efficiently. Since 2007, the consortium has leveraged over \$35 million in additional funds and has produced over 350 units of affordable housing. Localities appoint consortium board members, and staff support is provided by the New River Valley Regional Commission and the Town of Blacksburg.

WHO IS RESPONSIBLE

Local government housing or planning officials

A new or existing (GWRC) regional entity to oversee the consortium

PROJECTED OUTCOMES

Affordable housing developers will be able to apply to the consortium for the pooled resources for new affordable housing projects that are receiving other sources of federal or state funding but that need additional “gap” grant funding in order to succeed. The consortium will see a larger number of these projects completed as a result of this consolidation of existing funding. No new funding is required for this.

KEY CHALLENGES

Local governments must enter into a regional agreement to share funds and to wait their turn to use the pool of funds.

This Solution requires a significant amount of regional participation. Participants may have unequal funds to contribute and that imbalance will need to be addressed in the arrangement.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: No

Solution 2.6 // Pursue the creation of a regional housing focused loan fund that provides short and medium term financing with concessionary terms

WHAT IT DOES

A regional loan fund with low interest financing for affordable housing can reduce the cost of affordable housing. Such a fund could provide primary, mezzanine and soft debt for acquisition of at risk housing and development of new housing. Acquisition funding is particularly important as it is not readily available in the market from many sources and is essential in starting a new project.

HOW TO IMPLEMENT

Through a regional agreement, local jurisdictions would fund and develop the terms for a loan pool. A local bank or another intermediary (the national organization Local Initiatives Support Corporation has performed this service elsewhere in Virginia, Virginia Community Capital may also have interest) would administer the loan funds and manage oversight. The loan funds would be for short-term financing (eg zero to seven years) so they would not replace the need for permanent, low-interest loans or grant/equity sources of funding for projects but they would help lower the cost of affordable housing and would serve as early capital necessary to bring new projects to fruition. This would be a great accompaniment to a regional housing trust fund.

WHO IS RESPONSIBLE

- Local government finance and legal departments
- An intermediary such as Local Initiatives Support Corporation to administer and oversee the loan fund
- Private developers to access the funding
- GWRC to support effort

PROJECTED OUTCOMES

New or more affordable projects would be developed in the area. Existing buildings at risk of becoming unaffordable or falling into disrepair could be purchased quickly using these loan funds.

KEY CHALLENGES

- This funding source does not replace the need

for other permanent sources of funding to make affordable housing projects work.

- Interest rates are at historic lows and are likely to remain so for some time. This means low-interest loan funds are not as necessary, but access to early acquisition financing is still very important in the market and currently under-supplied.
- This requires regional cooperation

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: Yes

Solution 2.7 // Develop a regional housing equity fund that taps social investors who are willing to commit patient capital with below market return expectations

WHAT IT DOES

A pool of capital that typically is provided by private sources, including philanthropy. These funds are used as equity investments in affordable housing. The investors are willing to receive a below market rate of return and are more patient than market rate investors. They are willing to leave their funds in for longer periods and are patient in waiting for returns. These funds are sometimes referred to as social investment funds.

HOW TO IMPLEMENT

Usually, nonprofit housing developers are the users of these types of funds. A typical use would be to support the acquisition of existing housing that can

be renovated and repurposed as rent-restricted housing. Access to funds for acquisition are currently under-supplied in the affordable housing finance landscape and are a necessary component to a successful project. The equity investor accepts a lower rate of return and waits until the affordable housing developer gets other funding such as LIHTCs to complete a project, before the funder is repaid. This may take three to five years. Such social equity can also be helpful during the early stages of developing new housing by helping the developer to avoid the carrying costs of high interest debt.

WHO IS RESPONSIBLE

- Corporate and philanthropic leaders: establish and seed fund
- Financial institutions: provide capital and shape the design and implementation
- GWRC or other new regional entity to administer the fund

PROJECTED OUTCOMES

There will be more acquisitions of projects appropriate for future affordable housing development. In time, these sites would be rehabilitated or developed into new affordable housing projects.

KEY CHALLENGES

- Equity investing is not a long-term project subsidy, so it is only part of what is necessary to make a project succeed.
- Rising acquisition costs will require this fund be substantial enough to make a difference.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: Yes

Solution 2.8 // Create programs that offer real estate tax “rebates” if developers meet pledged affordability commitments to serve low income households

WHAT IT DOES

A locality enters into an agreement with a market rate property owner to provide some rental units at reduced rent levels and to serve households at a designated income level. For example, a property might make 10% of its units affordable to households at 80% AMI or below for a period of 20 years. Rent levels and occupancy must be certified to the locality. The property owner makes their full tax payment but receives a payment at year-end to offset the cost of the rent reduction.

HOW TO IMPLEMENT

These programs are sometimes referred to as “tax rebates” in order to create a nexus between the payment and the affordability requirement. These are grant programs where the locality uses its general funds to “rebate” an agreed upon amount depending on the number of affordable units and the level of rent reduction. It is important for the locality to achieve a formula that provides an incentive that is sufficient for the developer but not excessive.

WHO IS RESPONSIBLE

- Local government housing and finance department staff: design and draft the program
- Local governing body: approves any ordinances necessary to the program

PROJECTED OUTCOMES

New affordable housing will be created in mixed rental developments that previously would have been 100% market rate.

KEY CHALLENGES

- This requires an ongoing budget expenditure by the jurisdiction. If the expenditure is discontinued, it could result in the displacement of the lower income households.
- While basic program design parameters need to be developed, ideally, each project should be underwritten to set the subsidy at the correct level. This requires experienced staff support or out-sourcing of this aspect of the program.
- The program requires staff to monitor compliance annually.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: Yes, but indirect in the form of foregone tax revenue

Solution 2.9 // Establish a regional housing trust fund

WHAT IT DOES

A regional housing trust fund is a flexible pool of capital that can be deployed to increase the affordability of housing and to fill “gaps” in financing, thereby making the development more feasible. Housing trust funds provide grants and loans with deeply concessionary terms. Usually, housing trust funds are capitalized with public funds, but they can also receive funding from private sources, including corporate, philanthropic and individual.

HOW TO IMPLEMENT

Housing trust funds are frequently funded by direct appropriations from a locality’s budget; however, in some cases, these funds may be supported by a direct, recurring revenue stream from a tax, fee, or

special assessment. These automatically replenishing funds are usually preferred as they provide a more consistent, reliable source of support. Funds that are supported with annual appropriations often require regular “campaigns” by advocates to sustain funding levels. A cross-sector funding strategy that solicits support from non-governmental sources has the advantage of a collaborative, uniform message to a broad range of funders who may otherwise need to respond to numerous, individual requests.

A regional housing trust fund would need to coordinate across jurisdictions to raise funds and to equitable disburse those funds throughout the region.

WHO IS RESPONSIBLE

- Local governing body to allocate funds
- A regional entity (GWRC) or intermediary to administer the funds and review and approve projects
- Local government to participate in the regional entity
- Private developers and non profits to apply for funds

PROJECTED OUTCOMES

This funding source would be the most significant financial investment outlined in this Report for contributing to new affordable housing. It is expected that this would result in significant new affordable housing constructed or preserved in the region.

KEY CHALLENGES

- Regional funds are less common than funds for single jurisdictions. Regional funds offer significant advantages, however, including uniform and consistent policies, application procedures, timing and greater administrative efficiency. The challenge is to ensure that localities feel that they are all being treated equitably by the fund, and that they retain input into policies and priorities.
- Another major challenge with housing funds

generally is sustaining or growing the annual contribution. Hence a dedicated source of revenue is a preferable method for ensuring consistent contributions.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: Yes

Solution 2.10 // Incubate a new entity with powers similar to a housing authority

WHAT IT DOES

Redevelopment and Housing Authorities in Virginia have a wide range of powers. Most importantly a Housing Authority has the ability to acquire, own, hold and sell property. Small communities frequently are challenged in finding developers who are willing to come into the area and undertake smaller scale projects which may have lower returns and higher risks. The Authority could take on projects that the private sector is unwilling to pursue. The authority could purchase properties through market sale transactions and combine them with other parcels in order to make more attractive development sites. However, creating a new housing authority is a very significant technical project and is not generally recommended as there has not been a new housing authority created in Virginia in over thirty years.

Housing authorities across the country are on the wane due to the lack of funding at the federal level, the negative perception many have of them, and the rise of strong nonprofit leadership in many geographies. The utility of a housing authority can be recreated without the organization itself. An alternative approach for the GWRC region could be to create a new affordable housing entity capable of creating new housing (or facilitating the creation of new housing) that has quasi-public control.



A publicly-controlled nonprofit entity would be financially supported through public funds and local governments would have greater control over the projects undertaken by the organization. In jurisdictions where there is a dearth of local nonprofit capacity, this can be a good approach.

HOW TO IMPLEMENT

Identify an existing organization or champion a new organization that can be created to take on creation of new affordable housing. The Board of Directors of this organization would include public representation. This new entity would then be in a position to have regional authority and mission to focus on new affordable housing development. Public funding would need to be earmarked to support the operations of the entity as well as fund a portion of their work.

WHO IS RESPONSIBLE

- Local government or GWRC to take the lead in creating the new entity

PROJECTED OUTCOMES

A new affordable housing entity would exist, with strong public support, to create new affordable housing.

KEY CHALLENGES

- This model of capacity building requires committed public dollars on a consistent basis
- This model is not widely used and this work may best be left to qualified, existing non-profits.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: Yes

Category 3: How to preserve and improve existing housing

Solution 3.1 // Promote and expand existing senior tax relief programs

WHAT IT DOES

Senior tax relief programs enable seniors on fixed and low incomes to pay less in real estate property taxes. This is particularly impactful when seniors are in aging housing with deferred maintenance and in real estate markets where property tax assessments are rapidly rising. Senior tax relief programs can keep low income seniors in their housing. All GWRC operate existing senior tax relief programs.

HOW TO IMPLEMENT

All jurisdictions in the region currently have senior tax relief programs that vary in their requirements but generally achieve similar outcomes. In each jurisdiction, however, the number of eligible households exceeds the number of program users meaning that the programs are not reaching all eligible households. Through additional outreach, advertising and increased flexibility around eligibility, the programs could be more widely utilized. Additionally, jurisdictions should consider enhancing the benefits or increasing the pool of eligible homeowners.

WHO IS RESPONSIBLE

- Local finance and property tax assessment staff
- Local governing bodies to approve changes
- Community development organizations
- Social service organizations

PROJECTED OUTCOMES

Reducing costs to senior homeowners makes housing more affordable for seniors who are some of the most housing cost-burdened households in our region.

KEY CHALLENGES

- Advertising campaigns to increase program awareness must be broad and sustained.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: Yes, but indirect in the form of foregone tax revenue

Solution 3.2 // Support and streamline programs for seniors to navigate and access assistance programs.

WHAT IT DOES

A streamlined one-point-of-entry program that helps seniors access any and all financial or housing supports available to them ensures wider use and more equitable use of existing programs. State-level programs such as SeniorNavigator and No Wrong Door are designed to help seniors successfully work through confusing programs and program requirements. These programs provide a single point of entry where information about an entire range of programs and services are aggregated in one website though links and brief explanations. Housing is one area of assistance within a very large database of programs and services.

HOW TO IMPLEMENT

Convenings of all senior-focused resources in the region must be held to develop a coordinated system and process for seniors. Existing programs such as SeniorNavigator and No Wrong Door can be incorporated into a streamlined system. Both public and private programs must come together to coordinate their offerings, their intake of new clients and their systems with the goal to allow seniors to be able to access any and all programs with a single phone call or intake process.

WHO IS RESPONSIBLE

- State and local government agencies
- Social service agencies and nonprofits, including the local area agency on aging
- Churches and health systems

PROJECTED OUTCOMES

The streamlining of any program is beneficial to users but particularly for low income seniors, the barrier to entry of new programs can be significant. Designing a program whereby the burden of navigation is on the program, not the client, will result in greater usage of the program, more equitable distribution of use and a better user experience.

KEY CHALLENGES

- Existing programs and services are plentiful and diffuse
- Housing is just one of many services that are listed.
- Private vendors and service providers must be fully vetted and subject to regular certification. Seniors may need assistance in dealing with outside contractors.
- Web based information and navigation is less helpful to low income seniors.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: Yes (personnel funding)

Solution 3.3 // Increase housing rehab and critical home repair assistance programs

WHAT IT DOES

Many lower income households, particularly seniors, are living in homes that they are not able to maintain. The result can be unsafe conditions for occupants (ie. leaking roof or plumbing that degrades structural elements of the home and may also cause the growth of mold affecting indoor air quality). Older homes may also lack insulation and other energy efficient materials resulting in very high utility bills in order to keep the home temperature comfortable. Rehabilitation assistance can help these households address the conditions in their homes that are needed to ensure a safe and decent living environment.

HOW TO IMPLEMENT

The locality provides assistance to an intermediary (usually a nonprofit organization) that has the ability to assess the critical needs and address them, either by using its own staff to carry out the improvements or by contracting with and supervising the work through a private home repair company. Some types of critical repairs (stairs, railings) may be able to be provided by skilled volunteers while others (roofs, heating) need to be undertaken by qualified/licensed vendors

WHO IS RESPONSIBLE

- Local government housing staff: administer funds to nonprofit organizations. Federal funds such as CDBG can be used in this work.

- Nonprofit service providers: identify households in need and undertake critical home repairs directly or by hiring private contractors
- Private contractors: perform needed repairs
- Social services and healthcare staff: identify needs through home visits or other client interactions.

PROJECTED OUTCOMES

With critical repairs completed, residents have a safe and secure environment. Housing instability is prevented. Residents will be able to delay the need to move to alternate housing that better meets their needs.

KEY CHALLENGES

- Demand for these services substantially exceeds resources.
- In some cases, conditions are too severe to repair the underlying issues without major, intrusive work—or complete replacement of the home.
- Household members may have other critical needs, including healthcare issues, that should be addressed simultaneously.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: Yes
(capital/ grant funding)

Solution 3.4 // Provide tax relief for long time neighborhood residents

WHAT IT DOES

Current tax relief programs in the city and the counties are restricted to seniors and the permanently disabled who meet certain eligibility guidelines, including income. In fact, the Virginia constitution limits the basis on which a locality can provide tax relief. Long-time property owners are not included as an eligible category. In addition, the constitution requires that all properties be assessed at fair market value; restricting assessments is also not permissible. For that reason, alternative approaches to assist long-time neighborhood residents at risk of displacement are needed.

HOW TO IMPLEMENT

Localities may defer a portion of tax payments when annual assessments increase above a determined trigger amount. Another approach would be to provide a long-term residency rebate for certain owners who are at risk of displacement. These methods are allowed within the State’s existing laws. In jurisdictions where housing demand is very strong, assessments can increase very rapidly thereby placing financial burdens on non-senior, lower income homeowners.

WHO IS RESPONSIBLE

- Local assessors and finance departments: design and administer program
- Local governing body: take final action on any necessary changes to local code

PROJECTED OUTCOMES

By reducing housing costs for homeowners who are at risk of displacement in communities where values are rising rapidly, these initiatives will help keep some long-time residents in place and increase housing stability.

KEY CHALLENGES

- Virginia constitutional restrictions make such programs difficult to design and manage.
- Localities may not want to forego the deferred tax payments.
- Determining eligibility can be problematic - what constitutes a “long time” resident, how to measure the risk of displacement.
- Programs don’t address renters who are much more vulnerable to displacement than owners.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: Yes, but indirect in the form of foregone tax revenue

Solution 3.5 // Pursue implementation of property assessed clean energy programs for multifamily and single-family housing

WHAT IT DOES

Property assessed clean energy (PACE) programs create a way for building owners (and homeowners) to make energy improvements to their property without the need to raise the front-end capital for the improvements themselves. Costs are repaid gradually through special assessments on the property. Improvements could include solar panel installations, high efficiency HVAC equipment, insulation, air sealing, new windows and similar improvements. Programs for commercial buildings (including multifamily apartments) are known as C-PACE, while residential programs for homeowners are known as R-PACE.

HOW TO IMPLEMENT

PACE programs are typically administered by a PACE authority that can operate at the state, regional or even local level. The PACE authority raises the capital for the improvements to the building. The local government agrees to participate in the program and secures the capital with repayments through real estate tax assessments and billings. The theory behind PACE is that both the current and future owners of the property will share in the utility savings that the improvements create. Through the PACE mechanism, these costs are shared by all the beneficiaries.

Several localities in Virginia have implemented or are studying C-PACE programs, including Fredericksburg. The city adopted a program in 2018, but has only been used to-date for a professional baseball stadium. The city should proactively advertise the program to multifamily property owners and potential new developers. We also recommend neighboring counties explore C-PACE programs that are structured similarly to the city’s existing one to reduce confusion and inefficiencies.

WHO IS RESPONSIBLE

- Local housing staff: design the program with technical experts
- Local assessor and finance departments: implement the assessments and repayment; pass payments through to PACE to service the debt.
- Local governing body: take final action on adoption
- Regional or statewide PACE authority: administer the program

PROJECTED OUTCOMES

Energy improvements can replace outdated, inefficient systems and other substandard conditions. Energy improvements may also correct life safety issues with natural gas, carbon monoxide build-up and other indoor air quality issues. These energy improvements will also directly result in utility savings thereby reducing the cost of housing.

KEY CHALLENGES

- Like many new programs that change paradigms of how housing programs operate, PACE does meet with some market reluctance. This is particularly true for single-family homeownership programs, where both local governments and the real estate community have expressed reservations.
- The PACE program administrator must have technical expertise in energy efficiency, building construction and finance. The program must be able to ensure that the right improvements are made, the pricing is fair, and the work is properly completed.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: Yes, for R-PACE. Current state code allows for C-PACE only.

REQUIRES NEW FUNDING: Yes, but indirect in the form of foregone tax revenue

Solution 3.6 // Implement holistic code enforcement to preserve and improve existing housing

WHAT IT DOES

Holistic code enforcement integrates models of incentive and cooperation with property owners into the municipal enforcement process. Instead of an adversarial and punitive function, code enforcement is used as a tool to understand a jurisdiction's housing needs and alleviate them.

HOW TO IMPLEMENT

Holistic code enforcement works well when a

jurisdiction has programs and incentives for owners to use to remediate code violations. Education of property owners about building maintenance, healthy housing, and code requirements is paired with financial resources and a collaboration between code enforcement officials and owners. Holistic code enforcement can be proactive; meaning that properties are inspected not when a complaint or emergency situation occurs, but rather on a routine basis.

WHO IS RESPONSIBLE

- Local code enforcement departments: pilot and implement new procedures

PROJECTED OUTCOMES

Holistic code enforcement provides two additional benefits beyond traditional code enforcement. First, because of its proactive nature, holistic code enforcement helps jurisdictions to develop a reliable data set of existing housing conditions. In the absence of this, jurisdictions have scant information about the extent and location of housing condition needs. Second, holistic code enforcement is believed to lead to a greater incidence of home improvements than traditional code enforcement, because of its collaborative and supportive relationship with the homeowner.

KEY CHALLENGES

- Requires home repair programs or other financial supports to be funded.
- Requires additional administrative support than traditional code enforcement due to the increased level of interaction with the homeowner.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: Yes (personnel funding)

Solution 3.7 // Improve aging housing stock by establishing and expanding resources for affordable rehab programs

WHAT IT DOES

Nonprofit organizations across the country make critical home improvements for income-qualifying households, including heating, roof repairs, electrical improvements, structural corrections, insulation and energy improvements, lead abatement, ramps and other accessibility features, as well as other work that addresses key health and safety deficiencies. In the GWRC region, there is currently not a robust infrastructure of organizations completing this work. This gap presents an opportunity to create new resources and systems to assist homeowners.

HOW TO IMPLEMENT

Nonprofit program providers conduct eligibility reviews, home assessments, and work write-ups as well as oversight of contractors doing the work. Nearly all of these programs are restricted to households with incomes below 80% of AMI. For seniors above this level, there are few coordinated programs to help with repairs and improvements, increasing the challenges of access to such help and the risks of contracting for work that is unnecessary, overpriced or poor quality.

Programs can be funded by a combination of public subsidies and private donations. Localities can fund this work using their own general fund dollars, and/or federal grants such as CDBG and HOME. Private entities like corporations and philanthropic organizations can donate funds to organizations that complete this work.

The region should take stock of any and all existing rehab programs, especially those funded with public money. Localities should identify ways to scale up these programs as they align with the strategic objectives of the nonprofit groups that administer them.

WHO IS RESPONSIBLE

- Local governments: provide local and federal funding, help identify and cultivate homeowners who can benefit from programs
- Private donors: provide funding and volunteers
- Nonprofit program providers: deliver services, monitor programs, communicate needs and challenges

PROJECTED OUTCOMES

These efforts address some of the most serious issues within the existing housing stock. If successful, these programs will help homeowners—especially aging seniors—stay in their homes and delay or prevent moves into assisted living facilities.

KEY CHALLENGES

- Typically, only owner-occupied properties qualify for assistance, leaving much of the rental housing stock unaffected.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: Yes (capital funding)

Solution 3.8 // Coordinate home assessment services with age in place improvements.

WHAT IT DOES

Many seniors wish to remain in their homes. But they may put themselves at risk by doing so, if they lack the resources to make accessibility improvements

that will keep them safe. Home assessment services enable seniors to obtain consistent, high-quality assessments about what they need, what is possible in their home, and how to pay for it.

HOW TO IMPLEMENT

A network of qualified home assessors is established (often trained individuals) who hold credentials in occupational therapy and related fields. The assessor evaluates the current and future needs of the homeowner. They prepare a list of needed improvements. These assessments and the repairs they require are currently available to higher income households; but for low- and moderate-income homeowners, they are an unaffordable luxury. The costs to perform both assessments and repairs can be defrayed for very low income homeowners with grants and/or secured by a lien on the property.

WHO IS RESPONSIBLE

Nonprofit housing providers: manage and operate program, especially those with healthcare partners that can build health need priorities into the system

Social service organizations: refer clients to home assessors

Local governments: provide funding

PROJECTED OUTCOMES

Home assessments are an extremely helpful way to give seniors a clear path forward for needed home improvements. More seniors will be able to safely age in place for longer periods of time. These programs may also be expanded to help serve families with children and other vulnerable households.

KEY CHALLENGES

Will require new funding and the development/certification of trained home assessors.

A new or existing entity will need to play the role of program administrator.

Funding for assessments will need to be identified, especially to cover cases where accessibility improvements are not feasible.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: Yes (capital and program funding)

Solution 3.9 //

Proactively design and build accessible housing

WHAT IT DOES

Accessible housing built to universal design standards is housing that meets the needs of seniors as well as the disabled. Accessible housing works better for everyone (e.g., parents with strollers, persons recovering from an injury) and are accessible by everyone, regardless of their ability.

HOW TO IMPLEMENT

Provide financial incentives to builders/developers to incorporate universal design and key accessibility features such as: no step entries, wider doors and passageways, first floor bedrooms and accessible baths. Localities may also seek to expand and improve Virginia's Livable Home Tax Credit (LHTC) that offers a \$5,000 credit to homeowners or builders who meet these basic requirements.

WHO IS RESPONSIBLE

- Local government
- Community development organizations
- Social service organizations

PROJECTED OUTCOMES

Expands the housing options of seniors who may be interested in downsizing from the home where they raised their family but who still wish to live in a single-family, detached home.

KEY CHALLENGES

- Costs to build to accessible standards may be slightly higher; there may also be a misperception of market resistance to accessibility. Realtors report they have difficulty locating homes that meet the accessibility preferences of their buyers.
- Realtors report that they sometimes have difficulty selling properties with significant or visually apparent accessibility improvements, for example, a ramp on the front of the house.
- Accessibility improvements can be specific to the needs of the homeowner - not necessarily universal to all persons with a disability.
- There is no well recognized clearinghouse to connect buyers looking for accessibility with sellers whose homes have those features.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: Optional (if state LHTC expanded)

Solution 3.10 // Preserve naturally occurring affordable housing through proactive outreach to building owners

WHAT IT DOES

Naturally occurring affordable housing (NOAH) is housing that is affordable on the private market due to age, condition, and/or style. As these properties continue to age, NOAH owners may prioritize cash flow over housing quality. As a result, rience market pressures to raise rents or to defer maintenance. Owners may prioritize cash flow over housing quality.

Preservation ensures that private landlords continue as responsible stewards of affordable housing that is not subsidized or regulated housing but rather is affordable “naturally.” NOAH owners experience market pressures to increase rents or to defer maintenance. NOAH owners may prioritize cash flow over housing quality. A NOAH program at the jurisdictional or regional level can be a resource for NOAH owners to ensure their housing is maintained in good condition and reasonable prices.

HOW TO IMPLEMENT

Through carrot-and-stick approaches, a NOAH preservation strategy works with NOAH owners to ensure the preservation of the housing at affordable prices and high quality. Jurisdictions can create programs that offer incentives as well as penalties for owners of NOAH. Financial and other incentives can induce owners to improve building conditions while preserving affordability. Financial and other incentives can induce owners to maintain affordability in the face of market pressures. Jurisdictions can also implement “stick” measures around code enforcement to ensure owners maintain quality housing.

WHO IS RESPONSIBLE

- Local housing officials: identify existing NOAH and track its ownership, condition and rents
- Community advocates and residents: assist in identifying NOAH, building relationships with owners and tenants
- NOAH owners: partner with public and nonprofit entities to ensure continuing affordability
- Local governments: offer a range of incentives (tax “rebates”, performance grants, special financing, and others) to encourage owners to preserve affordability while maintaining building conditions and financial profitability
- Community development organizations: explore acquisition of NOAH to preserve affordability through special loan and equity funds (see [Funding Sources](#))

PROJECTED OUTCOMES

This preserves existing affordable housing, prevents displacement and may also be an opportunity to renovate and improve existing, aging affordable housing.

KEY CHALLENGES

- Proactive outreach will require identifying and communicating with NOAH owners who will have a range of interests in such a program.
- Any financial incentives will need to be paired with ongoing monitoring of the project to ensure that owners follow through on their commitments.
- Poor quality housing and NOAH housing is highly correlated. This means that NOAH housing is likely to need more renovation than other housing in the jurisdiction.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: Yes

Solution 3.11 // Identify assisted housing communities at risk from expiring affordability restrictions; expand preservation efforts.

WHAT IT DOES

Most affordable housing subsidies are provided on a time-limited basis and require property owners to maintain a certain rate of affordability for a specific number of years. When this term expires, the property owner can sell the property or convert it to

market-rate uses. This creates displacement of large numbers of residents and diminishes the amount of existing affordable housing. This happens often with LIHTC projects and represents a significant loss of affordable housing and displacement of residents. Oftentimes jurisdictions and community development organizations are unaware the property is in the process of converting to market rate.

HOW TO IMPLEMENT

Jurisdictions can create a system to be better aware of expiring affordable housing projects. Once identified, community development organizations can step in and acquire the properties using new subsidies to preserve affordability. This keeps the housing as affordable and prevents displacement of residents.

Through a coalition of public and private players, localities could monitor and become aware of expiring use properties. This information could be used to create partnerships with VH, DHCD, local jurisdictions, other funding sources and community development organizations to make offers to purchase properties and protect their affordability.

WHO IS RESPONSIBLE

- Local and state housing officials: monitor and track housing with expiring subsidies
- Affordable housing owners: partner with public and nonprofit entities to ensure continuing affordability
- Community development organizations: explore acquisition of expiring affordable housing
- State financing agencies and other funders: create and promote financing schemes to encourage preservation
- Community advocates and residents: raise awareness and guide preservation implementation

PROJECTED OUTCOMES

This preserves existing affordable housing, prevents displacement and is also an opportunity to renovate and improve existing, aging affordable housing.

KEY CHALLENGES

- Properties positioned for conversion into market-rate housing will have high acquisition costs. This cost will make preservation of affordable housing financially difficult. Additional funding sources will be required to pay these acquisition costs.
- Some of these conversions from affordable to market-rate are difficult to identify, as some occur in off-market transactions or without changing hands in ownership. In this situation, establishing strong relationships with existing owners of affordable housing and with VH/DHCD will be valuable.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: Yes (Capital/ grant funding)

Solution 3.12 // Revitalize manufactured home communities and replace poor quality homes

WHAT IT DOES

Some of the poorest quality housing in the region exists within aging mobile home parks. Prior to 1976, no standards were applied to the construction of manufactured homes. In 1976 HUD promulgated national safety, quality, and efficiency standards. Consequently, many households still occupy homes in these parks that are unsafe and in desperate need of investment. Revitalizing these communities involves rehab work for viable housing, full home replacement when homes are uninhabitable, and infrastructure upgrades for utilities and amenities.

HOW TO IMPLEMENT

Manufactured home community revitalization is often performed by nonprofit organizations, or a coalition of nonprofits. However, for profit owners can also be partners in improving these communities. To address the unique housing challenges in parks, revitalization often includes:

- Rehabilitation and repairs for homes that need minor improvements;
- Replacement of very old and very poor condition homes; and
- Upgrades to park infrastructure (roads, electricity hookups, water and sewer lines) and amenities (community space, sidewalks, playgrounds).

The work may be supported by public funds, private donations, and favorable loan products from housing finance agencies. In some cases, nonprofits may acquire parks to facilitate improvements efficiently and provide residents with greater stability.

As a first step, the region may coordinate with the Manufactured Home Community Coalition of Virginia (MHCCV) to undertake a full census of parks in the region to understand their residents, infrastructure, ownership, and amenities. MHCCV conducted a thorough survey of parks in the Richmond area in 2016 which has since led to increased local government interventions to preserve and revitalize parks.

WHO IS RESPONSIBLE

- Local governments: provide funding and coordinate any necessary zoning reforms
- Nonprofit housing providers: identify needs and undertake revitalization
- Manufactured Home Community Coalition of Virginia: coordinate efforts between localities and providers, provide technical assistance and connections to outside resources
- Lenders: offer favorable financing products
- Housing manufacturers: produce new, high-quality, affordable homes

PROJECTED OUTCOMES

The quality of this stock is among the poorest in the region and its improvement is a high priority in addressing substandard housing. When done properly, mobile home parks can provide a viable source of affordable housing.

KEY CHALLENGES

Household incomes in some communities are extremely low with very limited capacity to afford higher quality housing, even with assistance.

Many parks are home to undocumented immigrants who may not qualify for some federally funded assistance and who may be fearful of participating in revitalization activities.

New manufactured homes are usually financed using high interest personal property loans; traditional mortgage lenders have been reluctant to make home loans on manufactured products.

Local land use regulations may stymie by-right replacement of homes in grandfathered mobile home park zoning districts.

APPLICABLE LOCALITIES: Caroline, King George, Spotsylvania, Stafford

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: Yes (capital funding)

Solution 3.13 // Address the use of motels used as de facto affordable and transitional housing

WHAT IT DOES

The COVID-19 pandemic has highlighted the use of motels and hotels as a shelter strategy for the

homeless. But motels and hotels have long been utilized by individuals and families as a long-term housing solution. Lacking the barriers to housing such as credit checks, security deposits, and eviction records, motels and hotels offer easier access to shelter during periods of housing instability. However, while more stable than homelessness, motel and hotels are not a substitute for more permanent, renter- and owner-occupied housing.

Families in these temporary living situations have limited housing protections and unstable incomes. In some cases, families are overcrowded in single units and conditions less than desirable. In addition, property owners often lack the knowledge and resources to act as landlords. Aging hotels and motels have seen even greater challenges as customer preferences and travel patterns have changed over time.

Conversion of motels to permanent housing has been an increasing trend in many localities across the nation. Nonprofit organizations and local governments have partnered to acquire and rehabilitate or redevelop properties for affordable housing development or permanent supportive housing. In Williamsburg, Virginia, local motel owners have also seen success in converting their properties into adaptive housing to serve as workforce, student, and senior housing priced at affordable rates.

HOW TO IMPLEMENT

To improve the housing situations of persons living in motels, two important types of intervention are needed:

1. EXPAND RAPID RE-HOUSING AND PERMANENT SUPPORTIVE HOUSING OPTIONS.

To secure better housing, persons and families living in motels need to be connected to services and resources focused on bridging the gap between instability and stability. Two proven methods include rapid re-housing and permanent supportive housing.

Rapid re-housing programs are run by nonprofits and other service providers to place families into long-term housing quickly and efficiently. Case managers curate apartments and use flexible sources of funds

to get housing insecure families into high-quality homes. Providers help clients overcome barriers and support their transition into permanent housing.

Permanent supportive housing blends low-barrier rental homes with wraparound services to address mental health, substance abuse, and other challenges persons may have that prevent them from obtaining and affording housing on the private market. PSH operators employ health professionals and case managers to personally assist tenants overcome those challenges.

2. EXPLORE LONG-TERM CONVERSION OF UNDERUTILIZED HOTELS INTO PERMANENT HOUSING.

The conversion of a hotel or motel property to permanent housing is often undertaken by nonprofit organizations or the property owner themselves. Localities can support this type of development by streamlining the process for conversion. Important steps include:

- Brokering conversations between motel owners/operators
- The establishment of zoning districts that accommodate the limitations of hotel and motel adaptive reuse, such as room size, site layout, and amenities, and facilitate the development of efficiency and one-bedroom units.
- Supply acquisition funding and financing programs to help nonprofit organizations purchase motel properties.

WHO IS RESPONSIBLE

- Nonprofit providers who currently operate or may expand into providing rapid re-housing and permanent supportive housing.
- Nonprofit or mission-oriented developers capable of acquiring and redeveloping motels into permanent housing options.
- Localities to provide funding, financing options, zoning reforms, and possibly surplus properties for new housing development.

- Philanthropic and institutional donors to provide funding for program operations and property acquisition.

PROJECTED OUTCOMES

- Families and individuals living in motels will find secure housing, save money, benefit from increased tenant protections.
- The economic, educational, and health outcomes of these precariously housed families will improve.
- If successfully transformed, motels that become permanent housing will serve as catalysts for revitalization in the neighborhoods they occupy.

KEY CHALLENGES

- Scaling up existing (or creating new) rapid re-housing and permanent supportive housing programs requires new funds and increased nonprofit/provider capacity.
- Permanent supportive housing developments require significant funding, and are normally only accomplished with long-term planning and layered subsidies. In high-cost areas like the Fredericksburg region and Northern Virginia, PSH is especially difficult due to high land acquisition costs.
- Motel/hotel owners may not be amenable to selling their properties and are content operating them under their current model.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: Yes

Category 4: How to increase housing opportunity

Solution 4.1 // Increase Housing Choice Voucher holders' success rate in finding housing

WHAT IT DOES

Housing choice voucher (HCV) holders face discrimination and a lack of quality options in housing complexes that accept HCVs. Many end up renting in high poverty neighborhoods because it is the only housing that they can find and qualify for. Some are not successful at all and must return the voucher. Access to more information for both landlords and voucher holders may improve this, including case management support for voucher holders.

Voucher holders who are seeking to identify housing complexes that accept vouchers and landlords who do accept vouchers are often unaware of one another. Resources are needed to facilitate this "matchmaking." Through increased education of landlords and tenants, HCV holders may have greater success in securing housing.

HOW TO IMPLEMENT

A coalition of jurisdictions, landlords, HCV administrators and social service organizations would create a series of resources for landlords and HCV holders. Resources would include: landlord education programs to increase participation in the HCV program, landlord education regarding case management resources for HCV tenants, initial inspection checklists, a list of properties that accept HCV holders, a list of LIHTC developments that are required to accept HCV holders, special security

deposit assistance, other financial incentives to landlords.

During the 2020 legislative session, discrimination on the basis of the source of a tenant's income (like HCVs) became illegal (an exception is made for very small landlords of four or less units). Therefore landlords are required to accept HCV payments just as they would any other form of cash payment for rent. This new law is not commonly known or enforced and so education on this is important.

WHO IS RESPONSIBLE

- Voucher program administrators: seek out and partner with nonprofit and private rental managers
- Private and nonprofit rental management companies: increase number of complexes that accept HCV holders

PROJECTED OUTCOMES

A higher rate of HCV holders will find quality housing in the region and will pay market rents while keeping their own expenses affordable to their income.

KEY CHALLENGES

- Many landlords in the area simply choose not to accept Housing Choice Vouchers. This is no longer legal.
- Many low income households need support to successfully locate and lease housing in high opportunity neighborhoods.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: No

Solution 4.2 // Encourage CDCs and private developers to develop affordable and mixed-income housing in high opportunity areas

WHAT IT DOES

Through targeted funding, land use changes, and incentives, localities may: provide access to sites in high opportunity areas where jobs and educational opportunities are stronger; encourage greater density for mixed-income housing; and require mixed income housing in transit hubs.

HOW TO IMPLEMENT

Localities should proactively establish districts and production targets over the next five years, and encourage production through site identification, expedited land use approvals, and financial incentives. To help developers achieve these goals, localities may consider incentives such as reduced parking and higher density. In many places around the region, height and other zoning restrictions could be relaxed to expand housing supply. These development incentives should be linked to the provision of affordable housing.

Additionally, or as an alternative, localities may consider a commercial linkage fee in developing areas that could support affordable units in market rate developments. Linkage fees are charged to developers and collected by localities to help fund affordable housing initiatives. These districts may also be strong candidates for “experimental” new housing types that can reduce housing costs, including accessory dwelling units as well as a wide range of manufactured, modular and panelized construction.

WHO IS RESPONSIBLE

- Local governments: undertake planning and site prioritization, regulatory reform, create incentives

- Nonprofit and private housing developers: construct and provide affordable homes

PROJECTED OUTCOMES

Developing new affordable housing in high opportunity areas is urgently needed, especially where LIHTC and other low- and moderate-income housing has not been widely developed.

KEY CHALLENGES

- Acquisition costs in high opportunity areas are higher.
- Community opposition may need to be addressed through education and messaging.

APPLICABLE LOCALITIES:

Fredericksburg and Spotsylvania County

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: No

Solution 4.3 // Encourage landlords to modify rental screen standards

WHAT IT DOES

All private landlords and management companies have screening standards that are used in determining whether an applicant is qualified to rent an apartment. Some of these are simple standards around income qualification, but others can include a range of disqualifying factors including criminal history (both misdemeanors and felonies), bankruptcy, evictions, credit score and others. Strict standards often rule out quality prospective tenants, because of a single misdemeanor that occurred years in the past. This eliminates housing choices for many families.

HOW TO IMPLEMENT

Landlords should be engaged in a dialogue about their screening standards in order to secure changes that will increase rental choices. Localities and/or nonprofit housing organizations could conduct a survey of screening standards to understand the landscape faced by renters, including in LIHTC developments. This type of outreach could be paired with education regarding the recent enactment of source of income discrimination legislation.

Equally important is to ensure that the dedicated affordable housing stock in the region, for example LIHTC housing, serves as a model for proper adherence to the rules around tenant screening and income qualification.

WHO IS RESPONSIBLE

- Local government and GWRC: broker conversations and meetings
- Nonprofits: conduct surveys, evaluate and propose changes to screening standards
- Landlords and management companies: evaluate and change screening standards

PROJECTED OUTCOMES

Flexible screening requirements will create more choices for lower income apartment seekers.

KEY CHALLENGES

- Private owners will be risk averse, especially in a strong rental market where occupancy is high and they have adequate demand.
- Additional studies and other evidence may be needed to present to landlords the positive effects of revising standards.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: No

Solution 4.4 // Explore transit-oriented and transportation corridor development

WHAT IT DOES

To improve access to jobs and promote transportation alternatives, affordable housing should be well-connected to the rest of the region. In core urban areas and along dense corridors, affordable housing can be located adjacent to transit. In lower-density suburban communities, diverse housing options can be integrated into newer walkable, mixed-use communities. Transit-oriented development (TOD) connects land use, affordable housing and transportation planning to build equitable developments.

HOW TO IMPLEMENT

Throughout dense corridors served by transit, localities may pursue TOD to promote higher-density, mixed-use, pedestrian-oriented designs. In such TOD districts, zoning ordinances often reduce parking requirements and increase floor area ratios so developers can supply more housing at lower costs. Adding parcels where multifamily is allowed and encouraged also opens possibilities for developers to use LIHTC and other programs to deliver dedicated affordable apartments near public transportation.

In corridor areas where public transit is not available, localities can pursue similar land use strategies, but with a greater emphasis on alternative transportation infrastructure. This might include sidewalks, bike-friendly street designs, shared-use paths that connect housing with commercial, civic, and recreational uses. Designating parcels near this infrastructure for less-expensive housing types ensures equitable access.

Along with land use reform, localities may also engage in strategic land acquisition, especially to consolidate larger parcels that are conducive to the type of development desired. A land bank or other entity may be a useful tool in pursuing this activity. There may also be a variety of financing incentives, including tax incentives, that can be committed to

the corridor. Frequently, third party financing entities (e.g., VH or Virginia Community Capital) may also be brought in as special partners. Newly designated Opportunity Zone census tracts in these corridors may also provide financial incentives for investments in new development.

Because these corridors cross jurisdictional lines, it is important that localities collaborate on the corridor strategies so that incentives to developers and design goals align on both sides of the boundary line. Adjoining localities should also adopt similar affordability strategies so that real mixed-income outcomes are achieved in both jurisdictions.

WHO IS RESPONSIBLE

- Local planning staff: identifies areas where diverse transportation options exist or are planned; researches and drafts ordinances; undertakes community outreach
- Local planning commission: reviews and recommends ordinances
- Local governing body: takes final action on adoption
- Economic development officials: promote and encourage commercial activity

PROJECTED OUTCOMES

Including diverse housing options (and multifamily housing types where dedicated rental assistance programs may be used) within transportation-rich development is a widely accepted planning best practice. Providing new, affordable homes in these neighborhoods helps workers live near job clusters, reducing commuting costs and providing greater economic opportunities.

The GWRC region has many high traffic corridors, such as US Route 1 and State Route 3, that cross jurisdictional boundaries. Commercial development has rapidly spread along these corridors in previous decades, but the need for more affordable housing in close proximity has remained. Future development that includes affordable housing in the mix will help to reduce traffic, reduce transportation costs for many low- and moderate-income households, and contribute to more vibrant communities.

KEY CHALLENGES

- There may be opposition to higher densities from residential neighborhoods that are adjacent to the proposed higher density corridor development areas; but in general, property owners in the district benefit by increased potential for development on their parcels.
- While localities will be responsible for specific land use and zoning reforms, collaboration by localities is necessary to ensure a common vision, consistency in zoning, overlays and design requirements, along with shared responsibility for providing affordable housing within the developments along the corridor.

APPLICABLE LOCALITIES:

AllFredericksburg, Spotsylvania, Stafford, Caroline County

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: No

Solution 4.5 // Produce more age-restricted housing that serves very low income seniors

WHAT IT DOES

While many aging baby boomers express a preference to “age-in-place” and remain in the communities where they have family, social and economic connections, there is also a need for more housing to serve very low income seniors. Most of the housing serving very low income seniors was built using Section 8 and public housing programs that have not produced new, additional housing units in decades. Consequently, waiting lists are usually long for this type of deeply affordable housing and the quality is deteriorating. Accessible housing is also at a premium. Age-segregated housing does have the



advantage of making the delivery of health and other social services less expensive and more efficient.

HOW TO IMPLEMENT

The Low-Income Housing Tax Credit program is the primary vehicle for producing new affordable rental housing. But the LIHTC program does not provide rental assistance for tenants, so other strategies must be used to achieve lower rents. These can include rent skewing, additional subsidies, and the use of project-based housing vouchers from a local voucher program.

WHO IS RESPONSIBLE

- Private and nonprofit developers: explore partnerships with VH and Central Virginia Housing Coalition for the creation of new low income senior housing
- VH: provide LIHTC allocations and other sources of funding/financing
- CVHC: provide HCVs for seniors and offer development financing options

PROJECTED OUTCOMES

This will increase housing options for low income seniors who wish to downsize to age restricted communities. This approach has the added benefit of freeing up their home (which was likely underutilized) for the next generation of homebuyers.

KEY CHALLENGES

- Rental assistance that enables very low income households to afford the apartments is difficult to locate—often requiring complex layers of financing.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: Yes

Category 5: How to expand collaboration

Solution 5.1 // Establish data sharing procedures among service providers and community organizations

WHAT IT DOES

Many housing and non-housing organizations (visiting nurse programs, EMTs, food banks, churches, etc.) informally gather data on housing conditions through their intake processes and interactions with clients. This data could be collected systematically to create a dataset of housing quality and to make targeted code enforcement outreach to improve conditions.

HOW TO IMPLEMENT

Jurisdictions would develop a voluntary database for social service and other organizations to contribute housing quality data by address. The dataset would be used by the jurisdiction to address critical and unsafe conditions in the home, target code enforcement, and improve housing quality.

WHO IS RESPONSIBLE

- Local code enforcement departments
- Social service organizations

PROJECTED OUTCOMES

Increased data sharing is necessary to better understand the scope and severity of our region's housing quality issues. Service providers who regularly visit residences, or who regularly discuss housing issues with clients, could play a key role in the collection of this data.

KEY CHALLENGES

- Organizations would have to be regularly reminded and encouraged to be diligent in data collection and sharing in order to make the tool effective.
- Data would have to be shared in a uniform manner to be effective.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: No

Solution 5.2 // Expand partnerships between hospitals, healthcare providers and housing providers

WHAT IT DOES

For the last several years there has been increasing awareness of and attention paid to the “social determinants” of health—those factors beyond healthcare treatment that have a significant influence on a person's health. Key social determinants include the home and the neighborhood where one lives. One result of the focus on this connection between health and environment has been the growing engagement of hospitals and other healthcare providers in directly funding and supporting the creation of housing. The Richmond region has already seen the development of several of these partnerships that have resulted in new housing units or programs created and the opportunity exists to expand these in ways that achieve the objectives of both affordable housing providers and the healthcare industry.

HOW TO IMPLEMENT

Healthcare providers and housing specialists partner around a specific program objective. Collaborations

can include direct investment in affordable housing or financial support of organizations providing affordable housing, including opportunities to create partnerships that focus on senior health and safety.

The improvement of living conditions has the benefit of reducing illness and injury, thereby resulting in reduced medical expenses. For example, improving home accessibility features for seniors has been shown to reduce emergency room visits and hospitalizations as a result of falls and other accidents.

WHO IS RESPONSIBLE

- Hospitals and other care providers
- Housing and service providers
- Area agencies on aging and other senior service centers
- Health departments and other local government agencies

PROJECTED OUTCOMES

Healthcare partnerships can directly address targeted improvements to the housing stock and increase the supply of affordable housing.

KEY CHALLENGES

- Housing providers and healthcare providers work in entirely different systems—each with their own language—requiring steep learning curves on both sides for effective collaboration.
- Medicaid has the potential to provide a new source of funding for housing improvements, including affordability, but will require new strategies and greater understanding by housing providers.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: Yes (from healthcare providers)

Solution 5.3 // Create a center for first time, moderate-income homebuyer readiness

WHAT IT DOES

Many first time homebuyers lack the ability to be competitive with investors and other buyers in a very strong housing market. They need access to homeowner counseling, credit repair services and downpayment assistance, among other supports. A regional center provides a single point of entry and a simplified process for households that are interested in homeownership. Currently, the providers of and information about homeownership counseling, homebuyer readiness, assistance programs, lending and production are scattered and not well coordinated. There are multiple points of entry into the process and the process itself can be confusing for first time homebuyers. Regional centers exist in many forms across the country that can provide a variety of models and best practices.

HOW TO IMPLEMENT

One physical location would serve as a “one-stop shop” first time homebuyers. The center is supported by contributions from each participating locality, from banks and other participating entities. The center offers a full range of services to new homebuyers from financial literacy, credit repair and homebuyer readiness to financing, down payment and closing cost assistance, mortgage loans and information about homes to purchase. Once established as a “go to” resource, it may be possible to add services for renters and expand the mission of the center.

WHO IS RESPONSIBLE

- Nonprofit homeownership providers: advertise available homes and any applicable program restrictions
- Counseling organizations: provide direct homebuyer assistance

- Banks and mortgage lenders: provide funding, educational materials, access to loan products
- REALTORS: educate brokers on affordable homeownership programs, offer homebuying assistance to buyers
- Local government: advertise hub to residents and provide funding
- VH: coordinate and provide homeownership educational programs

PROJECTED OUTCOMES

Centralizing the delivery of services makes the program more accessible to homebuyers. Special targeting programs such as reducing the racial gap in homeownership or reaching out to new immigrants can be prioritized, delivered, and measured more effectively.

KEY CHALLENGES

- Shifting the existing scattered programs from individual organizations to a new entity will be a challenge.
- Organizations currently involved in homeownership development will need to buy into the collective benefit of this arrangement and de-prioritize their individual needs or priorities.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: Yes (programmatic funding)

Solution 5.4 // Begin awareness campaign to demonstrate the importance and value of affordable housing

WHAT IT DOES

One of the major constraints to the production of new affordable housing in the region is persistent and widespread community opposition. This NIMBY (“Not in My Backyard”) sentiment is strong and frequently plays out in the form of high turnouts of opponents at public meetings. Much research has been done in the past several years about how the public hears and responds to the way advocates have traditionally talked about affordable housing. New strategies for communicating with the public have been developed that can increase acceptance of affordable housing. This model has been successful in Charlotte North Carolina where it was used to raise \$50Million for housing funding and in Minneapolis where it was used to drastically change zoning.

HOW TO IMPLEMENT

Localities and housing advocates should implement a broad range of communication strategies, from small meetings to social media to community forums. These strategies will use the new language and new approaches identified in recent research from FrameWorks Institute and Enterprise Community Partners. *HousingForward* Virginia has “Overcoming NIMBY” resources available to help educate the public and build pro-housing alliances. These campaigns must be informed by the voices of residents whose views are frequently not included in policy development. A strong community engagement effort needs to be a key element of the campaign development.



WHO IS RESPONSIBLE

- GWRC and local government: coordinates campaign
- Nonprofit housing providers: partner with GWRC and support campaign
- Philanthropy: provide support and funding for campaign

PROJECTED OUTCOMES

Tempering community opposition to new affordable housing is a lynchpin to any successful housing plan.

KEY CHALLENGES

- An effective campaign will require engagement with many stakeholders, including the recruitment and training of community champions to carry the message and do much of the “retail” work of the campaign.
- Case studies and examples of success stories will need to be developed.

APPLICABLE LOCALITIES: All

REQUIRES NEW ENABLING LEGISLATION: No

REQUIRES NEW FUNDING: No

Implementation

Implementation matrix

Impact refers to the level of positive outcome. This includes number of units, geographic extent, and/or populations impacted.

Level of Impact



Effort refers to the level of work and support needed. This includes amount of funding, personnel, education, and/or policy change.

Level of Effort



Category	Sub-Category	Solution	Localities	Impact	Effort	New Leg?	New Capital Funding?	Tax Revenue Funding?	New, Preservation, or Other	Time to New Units
1	2	"Green-Tape" program	All	1	1				N	Med
3	2	Streamline senior assistance programs	All	1	1				P	Short
5	1	Data sharing between service providers and community organizations	All	1	1				O	Short
5	2	Link housing programs to healthcare providers	All	1	1				O	Med
3	5	Property assessed clean energy programs	All	1	2	X		X	P	Long
5	4	Housing affordability awareness campaign	All	1	2				O	Short
5	3	Create a homebuyer center	All	1	2		X		O	Med
1	4	Expand ADU allowance	All	1	3				N	Med
3	8	Coordinate home assessments and age-in-place improvements	All	1	3		X		P	Med
2	1	Advocate for state housing tax credit	All	2	1	X			N	Long
3	1	Expand senior tax relief	All	2	1			X	P	Short
4	2	Encourage mixed-income in high opportunity areas	All	2	1				N	Med
1	5	Build smaller homes	All	2	2				N	Med
1	1	Income averaging at LIHTC properties	All	2	2				N	Med
3	6	Holistic code enforcement	All	2	2		X		P	Med
1	8	Establish community land trust	All	2	3		X		N	Long
2	4	Partner with anchor institutions	All	2	3				P	Short
4	3	Encourage modified rental screening standards	All	2	4				P	Short
2	3	Expand USDA-RD 504 Rehab Program	C, KG, SP, ST	3	1				N	Short
2	2	VH Workforce Housing Loan Program	All	3	1				N	Med
1	6	Tax abatements in housing conservation and redevelopment areas	All	3	2			X	N	Long
1	3	Utilize comp plan to explore density and education	All	3	2				N	Long
2	8	Real estate tax rebate programs for developers	All	3	2			X	N	Med
2	6	Regional housing-focused loan fund	All	3	2		X		P	Long
3	3	Increase housing rehab and repair	All	3	2		X		P	Short
3	4	Long-time resident tax relief	All	3	2			X	P	Med
4	4	Transit-oriented/corridor development	F, C, SP, ST	3	2		X		N	Med
4	1	Increase housing choice voucher success	All	3	2				N	Med
1	9	Inclusionary zoning programs	F	3	3	X			N	Long
2	7	Regional housing equity fund	All	3	3		X		N, P	Long
3	7	Improve aging housing stock	All	3	3		X		P	Short
3	9	Design and build accessible housing	All	3	3				N	Med
4	5	Age-restricted low income housing	All	3	3		X		N	Med
1	7	Adopt housing-focused TDR programs	C, KG, SP, ST	3	4				N	Med
3	13	Address long-term motel residency	All	3	4		X		N	Med
3	11	Expand preservation of expiring affordability	All	3	4		X		P	Long
3	10	Preserve NOAH	All	3	4		X		P	Long
3	12	Revitalize manufactured homes	C, KG, SP, ST	3	4		X		P	Med
2	5	Regional housing consortium	All	4	2				N, P	Med
2	9	Establish regional housing trust fund	All	4	3		X		N, P	Long
1	10	By-right multifamily	All	4	4		X		N, P	Long
2	10	Incubate a "housing authority"	All	4	4		X		N, P	Long

Funding Sources

Virginia Housing (VH)

ACCESSIBILITY GRANTS

VHDA makes grants of up to \$4,000 per unit to make accessibility improvements to rental housing occupied by a disabled person with an income of less than 80% of area median. Under its “Granting Freedom” program, VH will make \$4,000 grants to veterans who are homeowners or renters and who have a service related disability.

CAPACITY BUILDING GRANT PROGRAM

This program is designed to help organizations create, preserve, or manage affordable housing, bring new housing services to underserved areas, improve implementation of community revitalization projects, establish local and regional collaboration, and support critical state housing. Grants are available to nonprofit housing organizations.

LIHTC – THE LOW-INCOME HOUSING TAX CREDIT PROGRAM

The Low-Income Housing Tax Credit Program (LIHTC) is administered by VH, and encourages the development of affordable rental housing and an incentive for private investors to participate in the building of affordable housing for low income families. The housing serves families with incomes below 80% of area median income.

UNIVERSAL DESIGN AND FAIR HOUSING GUIDELINES

This resource is a set of design features that serve the needs of people with disabilities and an aging population. VH provides guidelines for design professionals that are applicable to the Low Income Housing Tax Credit program but that are useful for any type of housing.

VIRGINIA DESIGNATED HISTORIC DISTRICT

Once an area has gone through the process of designation by the Virginia Department of Historic Resources, eligible properties within the district will qualify for state and federal historic tax credits when undergoing qualified rehab work. The value of the credits can significantly assist with the cost of the project.

VH/USDA LOAN PROGRAM WITH EXISTING MANUFACTURED HOUSING UNIT FINANCING PILOT PROGRAM

This program provides a VH mortgage to a qualified purchaser of a manufactured home that meets certain requirements in terms of age and location. This long term financing is frequently much more affordable than the traditional financing available for this type of housing. This program is a good vehicle for replacing old, deteriorated homes.

WORKFORCE HOUSING LOAN PROGRAM – MIXED-USE/MIXED-INCOME

VH provides low-interest loans for mixed-use/mixed-income developments if the property is located in a designated Revitalization Area. This program requires that a percentage of units must be reserved for residents whose annual income does not exceed certain limits.

U.S. Department of Agriculture (USDA) Rural Development

SINGLE FAMILY HOUSING REPAIR LOANS & GRANTS (SECTION 504 HOME REPAIR PROGRAM)

This program provides low cost loans to low income homeowners to repair, improve, or modernize their homes and grants to elderly and very low income homeowners to remove health and safety hazards.

U.S Department of Housing and Urban Development (HUD) – Department of Veterans Affairs

HUD-VETERANS AFFAIRS SUPPORTIVE HOUSING PROGRAM VOUCHERS (VASH)

This program provides a rental-assistance voucher for homeless veterans and their families with case management and clinical services provided by the local Department of Veterans Affairs.

Virginia Department of Housing and Community Development (DHCD)

AFFORDABLE AND SPECIAL NEEDS HOUSING (ASNH)

This program combines federal and state funding to fund affordable housing projects throughout the state. The three types of these funds are the HOME funds, Virginia Housing Trust Fund Competitive Pool, and National Housing Trust Fund.

HOME Funds

This program is for nonprofit and for-profit housing developers, CHDO's and public housing authorities seeking to develop affordable housing projects in Virginia

Virginia Housing Trust Fund Competitive Loan Pool

This program is intended to help address the state's housing needs and reduce homelessness. These are low-interest loans that meet financing needs of housing projects directed toward key state housing policies.

National Housing Trust Fund (NHTF)

This fund provides resources that will preserve, build, and rehabilitate housing for extremely low income Virginians (30% AMI or lower). This funding is specifically for rental projects that are creating or preserving affordable units for

extremely low income families. These loans are flexible and below-market-rate.

COMMUNITY DEVELOPMENT BLOCK GRANT (CBDG)

This program provides funding for many types of community improvement projects including housing rehabilitation for low income families. The ultimate goal of the program is to improve the community environment for moderate to low income people. Funding must flow through the local government.

EMERGENCY HOME AND ACCESSIBILITY REPAIR PROGRAM (EHARP)

This program provides funds to remove urgent, emergency health and safety hazards, to local administrators to undertake repairs that improve housing conditions, and address accessibility barriers for low income Virginians.

INDUSTRIAL REVITALIZATION FUND (IRF)

This grant program supports the rehabilitation and revitalization of vacant, blighted commercial and industrial buildings. The project could, for example, support the conversion of a vacant downtown building into mixed commercial and residential. The project should be part of an economic revitalization strategy for the community. The maximum grant is \$600,000 and a 1:1 match is required.

LIVABLE HOMES TAX CREDIT (LHTC)

This program provides tax credits for the purchase of new units or the retrofitting of existing units that improve accessibility and universal visitability to residential units. The credits can be used by the homeowner or the contractor.

PLANNING GRANTS (CDBG)

Under the planning grant program, DHCD will support the initial feasibility studies and assessments needed to support a large scale project. One example is for Business District Revitalization where 2nd story housing could be one strategy. Planning grants are made to localities but the work is typically carried out by consultants.

VIBRANT COMMUNITY INITIATIVE (VCI)

This special initiative provides loan and grant funding to support local or regional community-based projects that are innovative and contribute to the holistic improvement of neighborhoods. This annual competition includes affordable housing with community and economic development.

Other

DOMINION ENERGY SHARE

This program gives qualifying customers free energy assessments and free energy-saving measures. These measures include: EnergyStar® qualified LED light bulbs, efficient showerheads and faucet aerators, wrap insulation for hot water pipes, attic insulation and air/duct sealing, furnace fan motor, and heat pump and A/C tune up. Both owners and renters qualify but must be income eligible. The work is performed by Dominion's nonprofit and for profit weatherization partners.

FEDERAL HOME LOAN BANK SYSTEM – AFFORDABLE HOUSING PROGRAM (AHP)

The FHLB's operate a grant program for affordable housing that is available on a competitive basis once a year. Both nonprofit and for profit housing sponsors are eligible. The rules vary by bank (ie. Atlanta, Pittsburgh) and applications must be submitted through a local bank member of the FHLB system. Grants are also available for down payment assistance to homebuyers with special assistance to veterans.

MANUFACTURED HOME COMMUNITY COALITION OF VIRGINIA (MHCCV)

This group formed last year to work on strategies for the preservation and improvement of manufactured home communities as well as the improvement and replacement of older, pre 1976 housing units. They are coordinating with state housing agencies and national organizations to bring new resources and strategies to this challenge. Contact at mhccv.org.

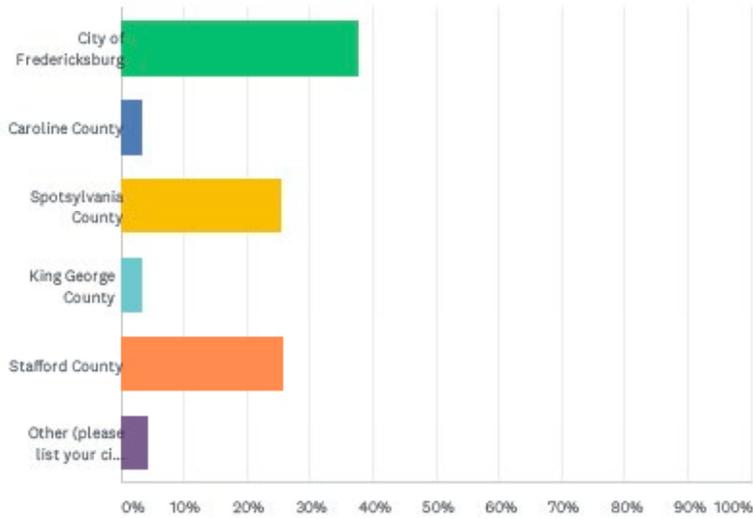
Appendix A

Housing Needs Survey results

George Washington Region Housing Needs Survey

Q1 Which locality do you currently call home?

Answered: 465 Skipped: 0



ANSWER CHOICES	RESPONSES	
City of Fredericksburg	37.63%	175
Caroline County	3.44%	16
Spotsylvania County	25.38%	118
King George County	3.44%	16
Stafford County	25.81%	120
Other (please list your city or county)	4.30%	20
TOTAL		465

George Washington Region Housing Needs Survey

Q2 What is your “general” address?(To keep responses anonymous, round your street number to your block. Example: If you live at 1234 Main Street, list your address as 1200 Main Street.)

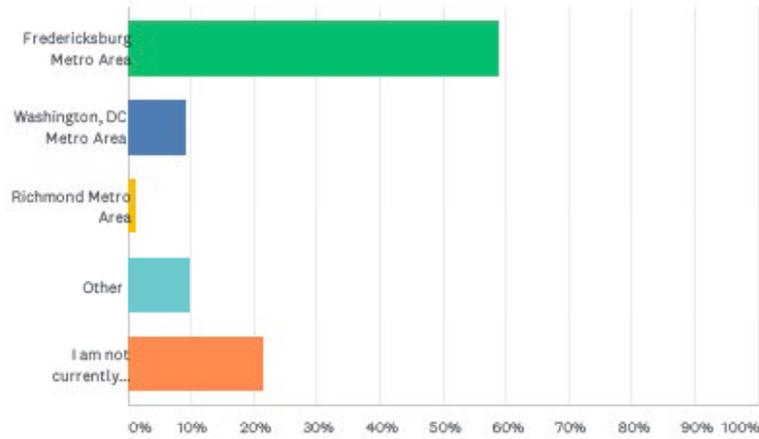
Answered: 465 Skipped: 0

ANSWER CHOICES	RESPONSES	
General street address	97.20%	452
City/town	96.56%	449
State	96.77%	450
ZIP	98.71%	459

George Washington Region Housing Needs Survey

Q3 If you are currently employed, where do you work?

Answered: 465 Skipped: 0

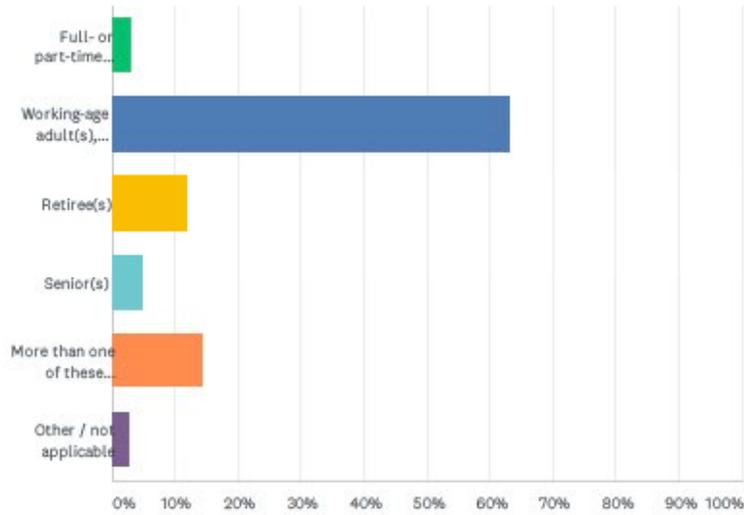


ANSWER CHOICES	RESPONSES	
Fredericksburg Metro Area	58.71%	273
Washington, DC Metro Area	9.25%	43
Richmond Metro Area	1.08%	5
Other	9.68%	45
I am not currently employed.	21.29%	99
TOTAL		465

George Washington Region Housing Needs Survey

Q4 Which of the following terms best describes the adult or adults who are the primary owners or renters of your home?

Answered: 465 Skipped: 0

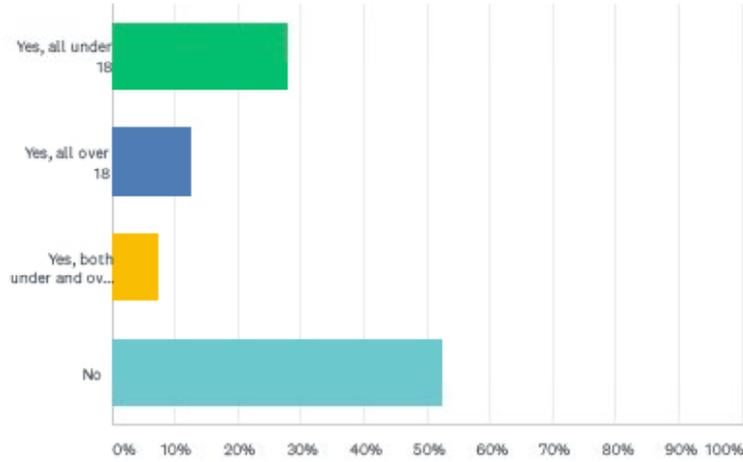


ANSWER CHOICES	RESPONSES
Full- or part-time student(s)	3.23% 15
Working-age adult(s), regardless of current employment status	63.01% 293
Retiree(s)	11.83% 55
Senior(s)	4.73% 22
More than one of these options applies to my household	14.41% 67
Other / not applicable	2.80% 13
TOTAL	465

George Washington Region Housing Needs Survey

Q5 Do you currently have any children living in your home as their primary residence?

Answered: 465 Skipped: 0

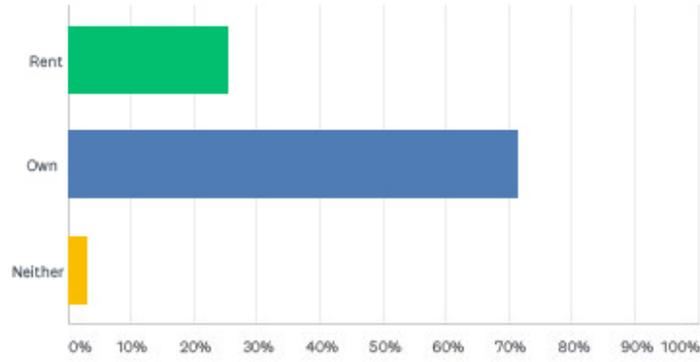


ANSWER CHOICES	RESPONSES	
Yes, all under 18	27.74%	129
Yes, all over 18	12.47%	58
Yes, both under and over 18	7.31%	34
No	52.47%	244
TOTAL		465

George Washington Region Housing Needs Survey

Q6 Do you rent or own your home?

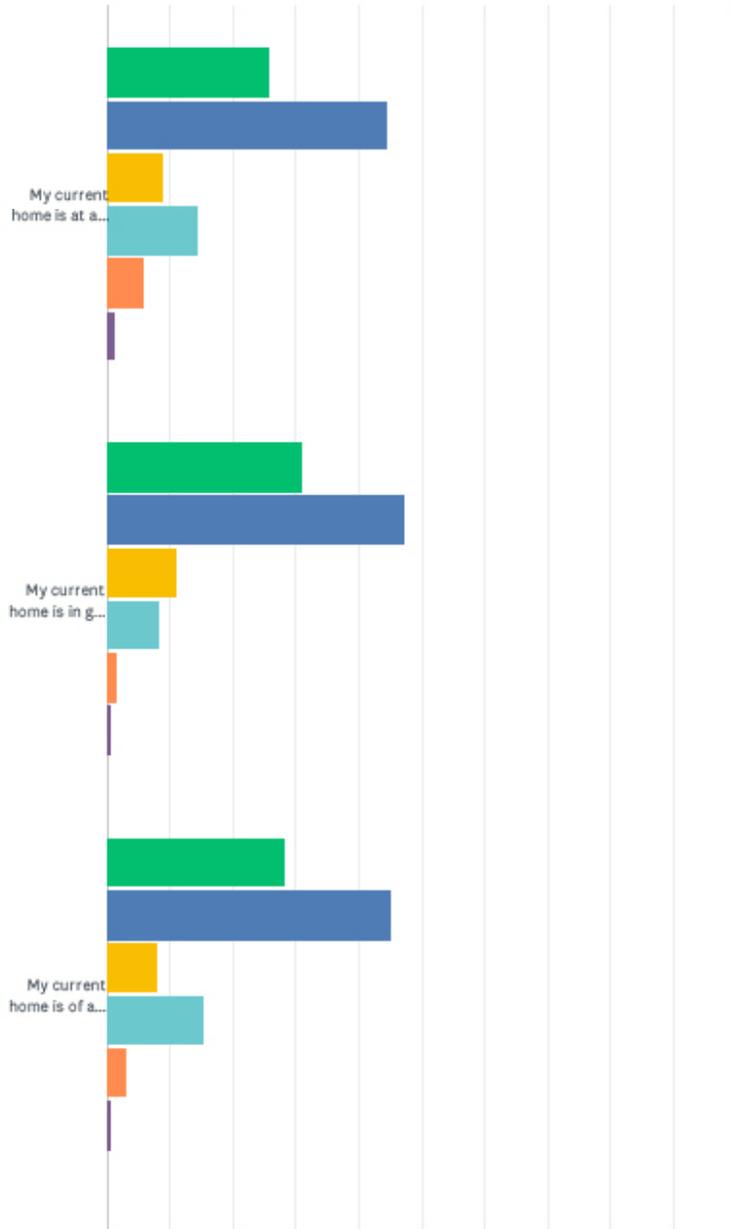
Answered: 465 Skipped: 0



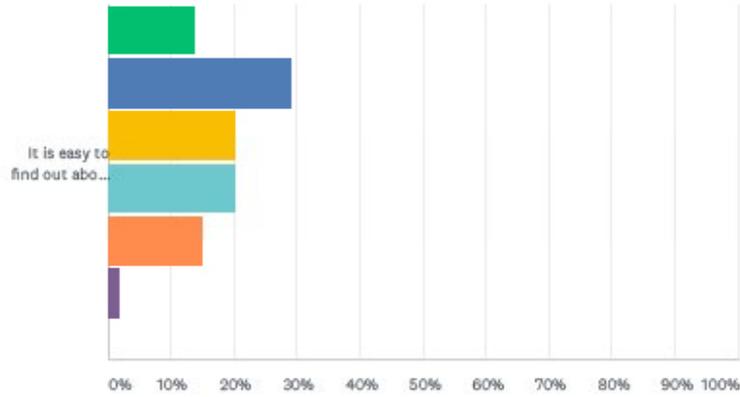
ANSWER CHOICES	RESPONSES	
Rent	25.38%	118
Own	71.61%	333
Neither	3.01%	14
TOTAL		465

Q7 Please rate your agreement with the following statements.

Answered: 452 Skipped: 13



George Washington Region Housing Needs Survey

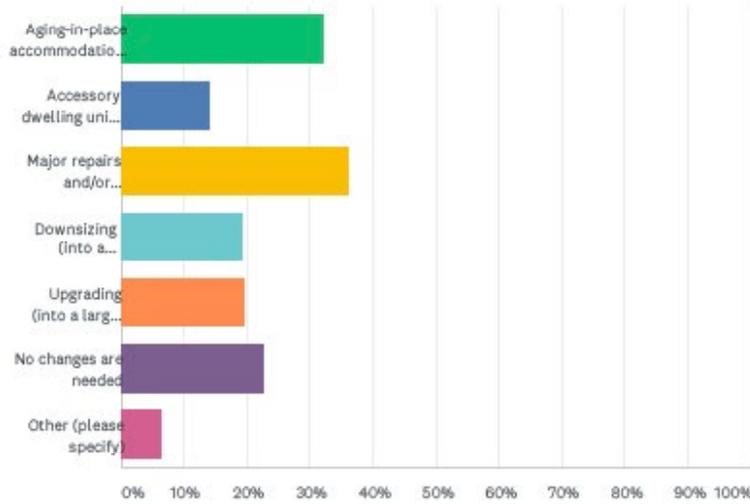


■ Strongly Agree
 ■ Agree
 ■ Neither Agree nor Disagree
 ■ Disagree
■ Strongly Disagree
 ■ N/A

	STRONGLY AGREE	AGREE	NEITHER AGREE NOR DISAGREE	DISAGREE	STRONGLY DISAGREE	N/A	TOTAL	WEIGHTED AVERAGE
My current home is at a price I can afford.	25.66% 116	44.25% 200	8.85% 40	14.16% 64	5.75% 26	1.33% 6	452	3.71
My current home is in good condition.	30.97% 140	47.35% 214	11.06% 50	8.41% 38	1.55% 7	0.66% 3	452	3.98
My current home is of a size and type that meets my needs.	28.32% 128	44.91% 203	7.96% 36	15.27% 69	2.88% 13	0.66% 3	452	3.81
It is easy to find out about available housing where I live.	13.72% 62	28.98% 131	20.35% 92	20.35% 92	14.82% 67	1.77% 8	452	3.07

**Q8 In what ways would your current home need to change in order to meet anticipated housing needs for your household over the next ten years?
Check all that apply.**

Answered: 452 Skipped: 13

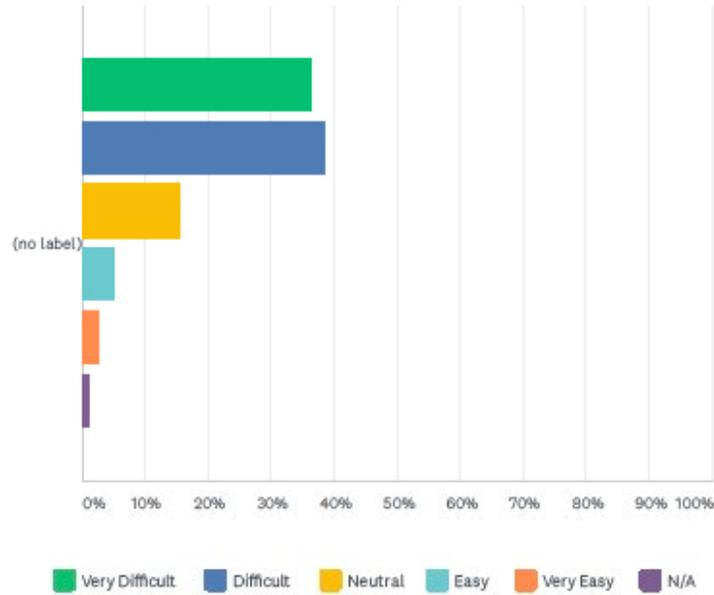


ANSWER CHOICES	PERCENTAGE	RESPONSES
Aging-in-place accommodations (e.g., zero-step entries, first floor master)	32.08%	145
Accessory dwelling unit (e.g., mother-in-law suite)	13.94%	63
Major repairs and/or retrofits (e.g., energy efficiency upgrades)	36.06%	163
Downsizing (into a different home)	19.25%	87
Upgrading (into a larger home)	19.69%	89
No changes are needed	22.57%	102
Other (please specify)	6.42%	29
Total Respondents: 452		

George Washington Region Housing Needs Survey

Q9 In your opinion, how difficult is it to find a good quality, reasonably-priced home where you live?

Answered: 452 Skipped: 13

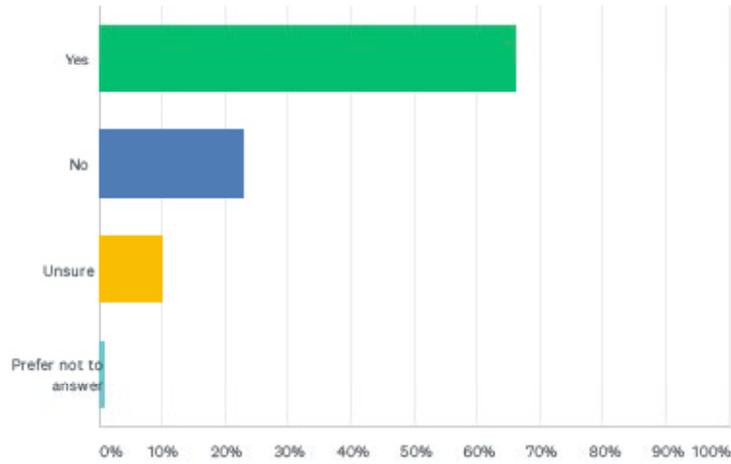


	VERY DIFFICULT	DIFFICULT	NEUTRAL	EASY	VERY EASY	N/A	TOTAL	WEIGHTED AVERAGE
(no label)	36.50%	38.72%	15.71%	5.31%	2.65%	1.11%	452	1.98
	165	175	71	24	12	5		

George Washington Region Housing Needs Survey

Q10 Have you or someone you know experienced barriers to finding good housing?

Answered: 452 Skipped: 13

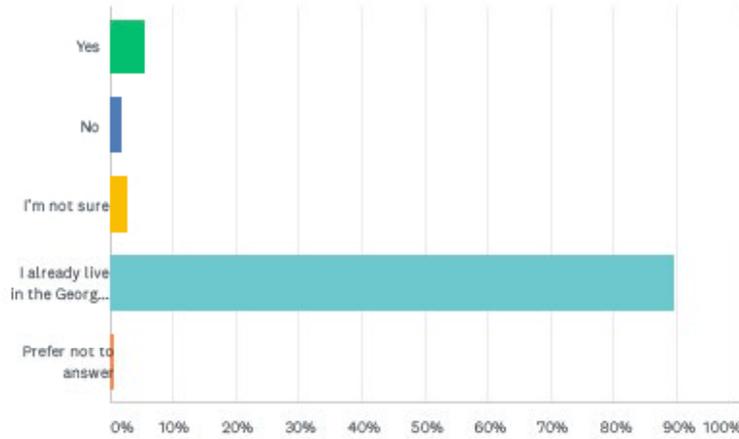


ANSWER CHOICES	RESPONSES	
Yes	66.15%	299
No	23.01%	104
Unsure	9.96%	45
Prefer not to answer	0.88%	4
TOTAL		452

George Washington Region Housing Needs Survey

Q11 If you don't currently live in the George Washington Region (Fredericksburg City, Spotsylvania, Caroline, King George, and Stafford counties), would you want to live there?

Answered: 452 Skipped: 13

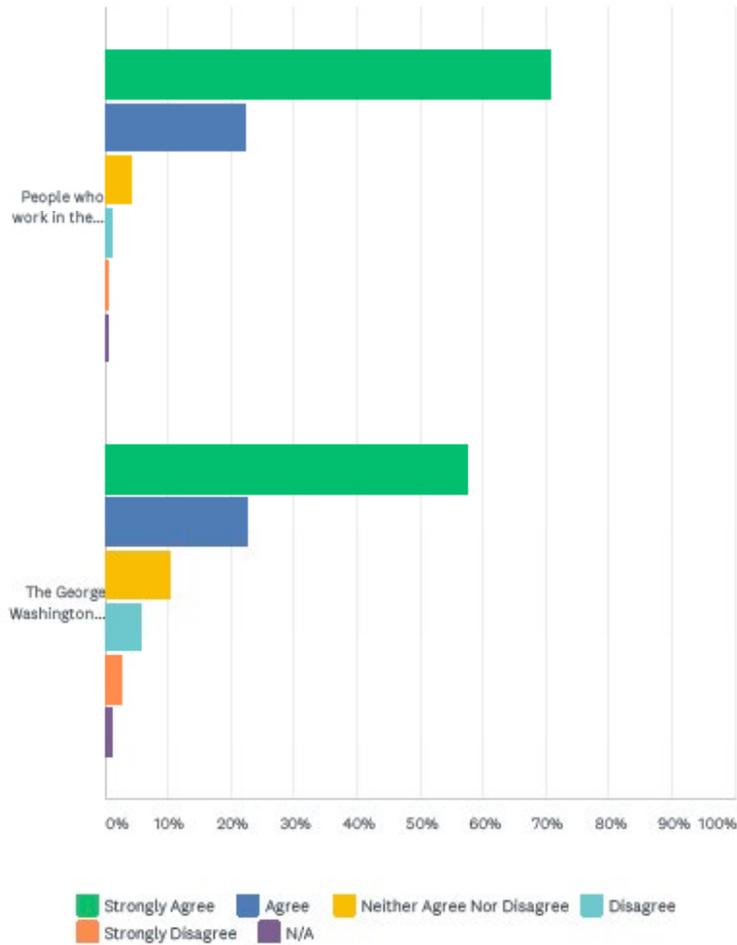


ANSWER CHOICES	RESPONSES	
Yes	5.53%	25
No	1.77%	8
I'm not sure	2.65%	12
I already live in the George Washington Region.	89.60%	405
Prefer not to answer	0.44%	2
TOTAL		452

George Washington Region Housing Needs Survey

Q12 Please rate your agreement with the following statements.

Answered: 452 Skipped: 13



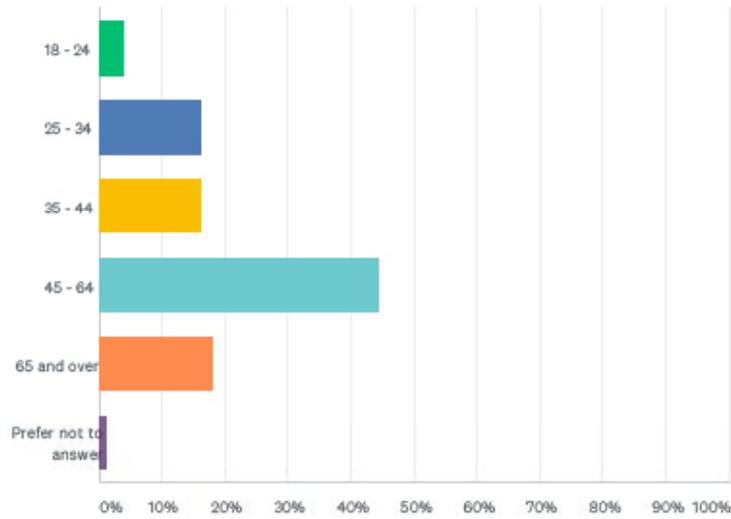
George Washington Region Housing Needs Survey

	STRONGLY AGREE	AGREE	NEITHER AGREE NOR DISAGREE	DISAGREE	STRONGLY DISAGREE	N/A	TOTAL	WEIGHTED AVERAGE
People who work in the George Washington Region should be able to live in the George Washington Region.	71.02% 321	22.35% 101	4.42% 20	1.11% 5	0.44% 2	0.66% 3	452	4.63
The George Washington Region would benefit from a wider range of housing options, including smaller starter homes, duplexes, townhomes, and apartments.	57.74% 261	22.57% 102	10.18% 46	5.75% 26	2.65% 12	1.11% 5	452	4.28

George Washington Region Housing Needs Survey

Q13 What is your age?

Answered: 451 Skipped: 14

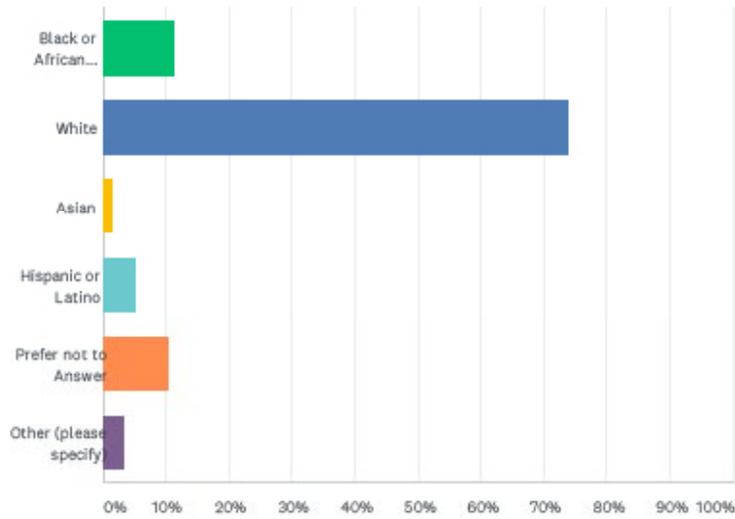


ANSWER CHOICES	RESPONSES	
18 - 24	3.99%	18
25 - 34	16.41%	74
35 - 44	16.19%	73
45 - 64	44.35%	200
65 and over	17.96%	81
Prefer not to answer	1.11%	5
TOTAL		451

George Washington Region Housing Needs Survey

Q14 What is your race/ethnicity? Check all that apply.

Answered: 451 Skipped: 14

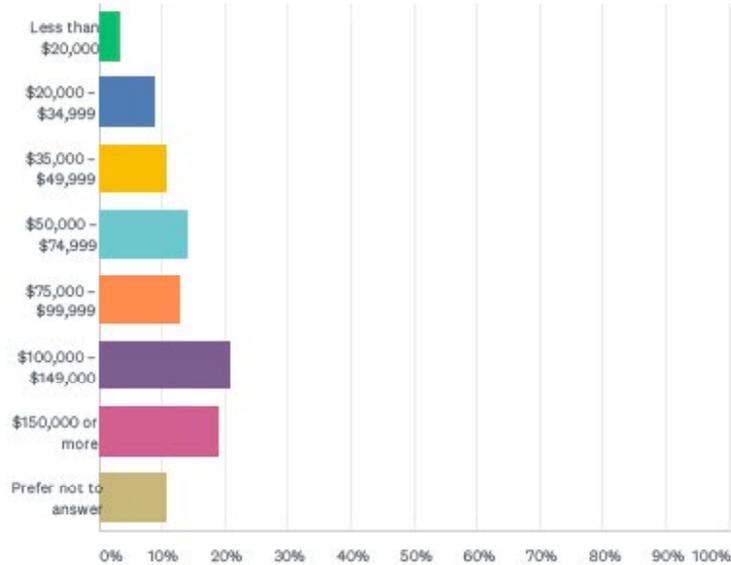


ANSWER CHOICES	RESPONSES	
Black or African American	11.31%	51
White	73.84%	333
Asian	1.55%	7
Hispanic or Latino	5.10%	23
Prefer not to Answer	10.42%	47
Other (please specify)	3.33%	15
Total Respondents: 451		

George Washington Region Housing Needs Survey

Q15 What is your total annual household income? That is, how much do all the income-earners in your household make altogether every year?

Answered: 451 Skipped: 14



ANSWER CHOICES	RESPONSES	
Less than \$20,000	3.33%	15
\$20,000 - \$34,999	8.87%	40
\$35,000 - \$49,999	10.64%	48
\$50,000 - \$74,999	13.97%	63
\$75,000 - \$99,999	12.86%	58
\$100,000 - \$149,999	20.62%	93
\$150,000 or more	19.07%	86
Prefer not to answer	10.64%	48
TOTAL		451



MEMORANDUM

TO: Timothy J. Baroody, City Manager
FROM: Mark Whitley, Assistant City Manager
RE: Summary of Pay Changes FY 2020 & FY 2021
DATE: October 6, 2020 (for the October 13 Council Meeting)

ISSUE

On September 22, the staff recommended that staff salaries be adjusted, and City Council reacted favorably to the recommendation. The Council is asked to approve a resolution that implements the restoration of pay reductions and a 1% increase for staff in October.

RECOMMENDATION

Staff recommends adoption of the attached resolution, which requires one reading.

BACKGROUND

The attached resolution requests that the City Council authorize by resolution the staff to implement a restoration of pay reductions instituted in May, and an increase to staff of 1% of salary.

The past fifteen months have seen a lot of general changes to the City's overall pay systems, as a generally strong economy has fallen into recession as a result of a global pandemic associated with the novel coronavirus. This memorandum will serve to summarize the City's current status and our reaction to both the recession and the City's position in the local labor marketplace for public safety employees, which needed improvement prior to the global recession.

Pre-Pandemic - FY 2020

The City Council, in the adoption of the FY 2020 budget (July 2019 – June 2020), included a 2.5% cost-of-living raise for City employees.

In January of 2020, the City Council found that the City was falling behind the regional labor marketplace for public safety employees. As a result, the City Council adopted a budget amendment that provided a 5% increase for public safety professionals. In addition, the City Council adopted an increase to the VRS multiplier, from 1.7 to 1.85, which increases the monthly benefit received by public safety employees upon retirement.

Pandemic Response – FY 2020 & FY 2021

Pay Reduction

In March of 2020, the City Council began to change course based on the City's financial outlook, which was beginning to be affected by the global pandemic. In May of 2020, the City Manager took action to reduce the salaries of most City employees – a 2% reduction for employees who made less than \$70,000, and a 3% reduction for employees who made \$70,000 or more. Public safety

employees were exempted from this requirement, as management did not want to fall further behind in the labor market for public safety professionals. The FY 2021 budget adopted by City Council in June included the savings from these reductions.

Hazard Pay

The CARES Act did provide some availability of resources to assist the City's financial condition. The City did provide hazard pay to certain employees faced with increased challenges as a result of the pandemic. Under the guidance received from the federal government, to be eligible to be charged under the CARES Act, hazard pay must be limited to payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency. The City also provided hazard pay to Transit employees who faced hazards in responding to the pandemic through their work, paid for with funds outside of the CARES Act. The additional pay was a total of \$4500 for EMS employees and \$3000 for employees in other public safety or public health response roles.

Health Insurance Premium Holiday

The City was able to grant a health insurance premium holiday for June and July of 2020 from reduced claims, backed by accumulated reserves in the City's internal health insurance fund. The premium holiday was an effort to reduce ongoing operating charges for the City, but the City's employees also pay a share of the cost (which varies depending upon the level of coverage).

Public Safety Pay Plan

The City implemented a public safety pay plan to improve our competitiveness in the regional labor marketplace for public safety employees. The plan included salary increases to employees in ranking positions for Fire, Police, and the Sheriff, which were falling behind surrounding jurisdictions. The plan also included an increase for public safety personnel who have served the City for ten years or more, as long-serving employees were falling behind surrounding jurisdictions regardless of rank. The increase for ten years of service will become part of policy moving forward.

Pay Restoration – October 2020

The City Manager's Office, in reviewing the overall budget, has created a plan that will be able to restore the pay that was reduced in May of 2020 to those affected employees, beginning in October of 2020. This action was discussed with City Council at the September 22 meeting.

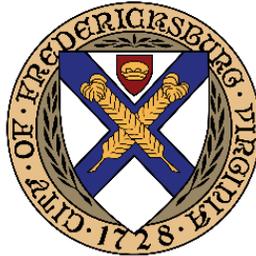
The City's plan also includes an increase of 1% of salary to all employees, once the restoration of the reduced salaries is complete. This 1% will serve to restore the pay that was reduced over the next few months, and / or improve the City's position in the regional labor market.

FISCAL IMPACT

The estimated impact to the City's FY 2021 budget for the pay restoration + 1% is \$551,065, based on an effective pay period beginning October 3rd. The annualized costs are \$716,384. These estimates include base salary, plus payroll taxes and retirement benefits, the costs of which are based upon salary.

The City has experienced significant staff turnover in public safety operations, and in addition will be able to charge the salaries and benefits of respondents to the pandemic to the CARES Act funds that have been provided by the federal government. The City will monitor FY 2021 budget expenditures, but any necessary amendments are expected to be limited.

Attachment: Resolution



MOTION:

**October 13, 2020
Regular Meeting
Resolution 20-__**

SECOND:

RE: Directing the City Manager to Implement Pay Changes

ACTION: APPROVED: Ayes: 0; Nays: 0

In response to the economic crisis and the global pandemic, the City of Fredericksburg reduced the pay of most employees. The City Council now finds that the City should reverse the pay reductions, and then increase the salary of employees by one percent.

Further, the City Council, in establishing the FY 2021 budget, included provisions that reduced appropriation authority to 75% of the total budget, with an allowance that this would be reviewed during the year and the full budget appropriated, if economic and budgetary conditions warranted.

Therefore, the City Council directs the City Manager to restore the pay reductions that took effect in May of 2020 and then increase the salary of City employees by one percent, effective the first full pay period in October 2020. The City Manager is further directed to bring forward for Council review any budget amendments necessary to accomplish this task at the time the FY 2021 budget is reviewed in mid-year to determine the release of appropriations for the budget. This resolution takes effect upon adoption.

Votes:

Ayes:

Nays:

Absent from Vote:

Absent from Meeting:

Clerk's Certificate

I certify that I am Clerk of Council of the City of Fredericksburg, Virginia, and that the foregoing is a true copy of Resolution No. 17- adopted at a meeting of the City Council held October 13, 2020 at which a quorum was present and voted.

***Tonya B. Lacey, MMC
Clerk of Council***



Willie G. Frablj

MEMORANDUM

TO: Timothy J. Baroody, City Manager
FROM: Bill Freehling, Director, Economic Development and Tourism
Amy Peregoy, Economic Development Specialist
DATE: October 7, 2020, (for October 13 City Council meeting)
SUBJECT: Expanding and Clarifying the Arts & Cultural District Program

ISSUE

Should the City Council amend the ordinance as presented to expand the Arts & Cultural District Program and simplify the rules?

RECOMMENDATION

Staff recommends that City Council adopt the attached ordinance, which amends the tax incentive and expands the Arts and Cultural District with the following key provisions:

1. Defines the geographic limits to include the locations of the existing and expanded Arts and Cultural District Program.
2. Provides business license tax (BPOL) reductions of up to \$250 per year for a term of ten (10) years to qualifying businesses.

A first reading was held on September 22, 2020.

BACKGROUND

The Virginia General Assembly in 2009 passed HB 1735, authorizing any Virginia locality to create arts and cultural districts for the purpose of increasing awareness and support for their arts and cultural communities. The legislation provides for incentives consisting of gross receipts tax and permit fee reductions as well as regulatory flexibility within such districts. Fredericksburg was an early adopter of an Arts and Cultural District in 2010.

A variety of art-related businesses can qualify for the program – including those involved in dance, media arts, music, sculpture, museums, performing arts, theatre and opera. The program is also open to any business located within the district that is not an arts and cultural business, but that hosts year-round, rotating art exhibits in public display spaces that are a minimum of 120 square feet. Interested businesses submit applications no later than February 15 to the Department of Economic Development and Tourism (EDT), and EDT staff confirms eligibility after checking with the Commissioner of the Revenue. Qualifying businesses must still submit their annual business license renewal applications no later than March 1 and submit payment no later than March 15 to the Commissioner of the Revenue.

The 2010 ordinance established the district for a five-year term and drew up boundaries that are similar to the 40-block Historic District. It also created four tiers of qualifying businesses:

- A. New arts and cultural businesses
- B. Expanding arts and cultural businesses
- C. Existing arts and cultural businesses
- D. Non-arts businesses that host year-round, rotating art exhibits

BPOL reductions of up to 100 percent were made possible for the first two categories, while the latter two could qualify for reductions of up to \$250 a year. A 2016 ordinance renewed the program and eliminated the term.

After the Arts Commission suggested an expansion of the District, staff began discussing possible changes that resulted in this proposed ordinance. The District is proposed to be expanded to roughly the northeast quadrant of the City – an area bordered by State Route 3, U.S. 1 and the Rappahannock River. It also includes a small section west of U.S. 1 to include the entire Area 6 Planning Area.

In addition, the revised ordinance restricts participation in the program to 10 years, which is consistent with state law. Finally, it reduces the four categories of qualifying businesses to two:

- A. Arts and cultural businesses (whether new, expanding or existing)
- B. Non-arts businesses that host year-round, rotating art exhibits

For all businesses, the maximum annual incentive is a \$250 BPOL credit.

The Arts Commission unanimously voted at its February 19, 2020, meeting to endorse the proposed amendments to the ordinance. City Council was briefed about the changes at its March 10, 2020, work session. The COVID-19 pandemic slowed progress on the proposed changes, but Council is now asked to finalize the changes by adopting the ordinance.

FISCAL IMPACT

The lost BPOL tax revenue from qualifying arts and cultural businesses, and host businesses, in the district is approximately \$3,000 per year (about 25 businesses have participated each of the past two years). That is not expected to change significantly with the revised program.

Attachments: Ordinance
Arts and Cultural District Map



MOTION:

October 13, 2020
Regular Meeting
Ordinance No. 20-21

SECOND:

RE: Expanding the Arts & Cultural District, and Extending Tax Incentives, up to \$250 Per Year, to Ten Years for All Qualifying Businesses in the District

ACTION: APPROVED: Ayes: 0; Nays: 0

FIRST READ: September 22, 2020 **SECOND READ:** _____

It is hereby ordained by the Fredericksburg City Council that Chapter 22 of the City Code, Article VII, "Arts and Cultural District," is amended as follows:

Sec. I. Introduction.

Fredericksburg City Council established the Arts and Cultural District by adoption of Ordinance 10-35 on December 14, 2010, as authorized by Virginia Code §15.2-943.1. The purpose of the district is to attract new arts and cultural venues, support existing arts and cultural venues, and to encourage the expansion of existing venues in the downtown area. These new, existing, and expanded venues will increase the City's reputation and market presence as a regional destination for arts and cultural activities, as well as the opportunities and benefits to City residents of arts and cultural offerings.

Under Virginia Code §15.2-943.1, the maximum period for which tax incentives may be offered to any qualifying business in an arts and cultural district is ten years. An amendment to the City Code in 2016 (the adoption of Ordinance 15-32 on January 12, 2016) removed this ten-year cap as an express provision of the local ordinance, but the Fredericksburg district is governed by the limit imposed by state law. Therefore, one purpose of this ordinance is to reinstate the express ten-year cap on tax incentives in the district.

City Council has further determined that the district should be expanded to encompass areas in close proximity to downtown where arts and cultural venues have located, or are encouraged to locate. Finally, City Council has determined that all qualifying businesses should be eligible for the ten-year maximum incentive period, and that the distinctions between, "new," "existing," and "expanded," arts and cultural businesses should be abolished.

Sec. II. City Code Amendment.

1. Section 22-700, "Arts and cultural district established; purpose," is amended as follows:

Sec. 22-700. Arts and cultural district established; purpose.

- A. There is hereby established the Fredericksburg Arts and Cultural District, consisting of all the area within the following boundaries:
 - 1. Beginning at the corner of Sophia Street and Lewis Street, west along Lewis Street to Charles Street; then following Charles Street to Amelia Street, following Amelia Street to

Washington Avenue, along Washington Avenue to William Street; along William Street to Littlepage Street, along Littlepage to the center of the block, and then to Kenmore Avenue; following Kenmore Avenue to Charlotte Street, and then along Charlotte Street across Jackson Street to the center of the block, then over to Wolfe Street, up to Willis Street, along Willis across Lafayette Boulevard to the center of the next block and then through the center of the block to Prince Edward Street; along Prince Edward across Frederick Street to the center of the block, then to Princess Anne Street, to Frederick Street to the Rappahannock River and back to the point of the beginning, as shown on the map entitled "City of Fredericksburg, VA Proposed Arts & Cultural District," dated December 7, 2010.

2. *The District is expanded to roughly the northeast quadrant of the City – an area bordered by State Route 3, U.S. 1 and the Rappahannock River. It also includes a small section west of U.S. 1 to include the entire Area 6 Planning Area, as shown on the map entitled "City of Fredericksburg, Proposed Arts & Cultural District," dated March 23, 2020.*

- B. The purpose of this district is to attract new arts and cultural venues, support existing arts and cultural venues, and to encourage the expansion of existing venues in the downtown area. These new, existing, and expanded venues will increase the City's reputation and market presence as a regional destination for arts and cultural activities, as well as the opportunities and benefits to City residents of arts and cultural offerings.

2. Section 22-701, "Definitions," is amended as follows:

Sec. 22-701. Definitions.

~~EXISTING BUSINESS~~

~~An arts and cultural business which is physically located within the district as of December 31, 2010, or a "new business" or "expanded business" which is no longer eligible for the license tax afforded to that category of business.~~

~~EXPANDED BUSINESS~~

~~An existing arts and cultural business which expands physically into new space within the district, to add at least 30% in gross square feet (enclosed or outdoors).~~

~~NEW BUSINESS~~

~~A new business physically located or locating in the district on or after January 1, 2011, which was not actively engaged in the conduct of trade or business in the district prior to the submission of a completed program qualification application. The new business shall generate a new use of the land or building, and not the continuation of an existing use. An existing business shall not qualify for incentives by reorganizing or changing its form in a manner that does not alter the basis of the business assets or result in a taxable event.~~

[The other definitions are not amended.]

3. Section 22-702, "License tax reduction," is amended as follows:

Sec. 22-702. License tax reduction.

- A. ~~An new~~ arts and cultural business is afforded a license tax reduction ~~of 100% up to \$250 a year~~ for ~~five ten~~ calendar years for the gross receipts attributable to the ~~new~~ district location, so long as it continues to operate at its ~~new~~ location as an arts and cultural business and remains current in its tax and other financial obligations to the City.
 - B. ~~An expanded arts and cultural business located within the district is afforded a license tax reduction of 100% of liability attributable to new gross receipts for five years, so long as it continues to operate in its expanded location as an arts and cultural business, and remains current in its tax and other financial obligations to the City.~~
 - C. ~~An existing arts and cultural business located in the district is afforded a license tax reduction in the amount of up to \$250 per year so long as it continues to operate as an arts and cultural business within the district and remains current in its tax and other financial obligations to the City.~~
 - D. Any business located within the district, which is not an arts and cultural business, but which hosts year-round, rotating art exhibits open to the public in the public spaces of the business is afforded a license tax reduction of up to \$250 per year for each year in which the business qualifies. The display space shall be a minimum of 120 square feet of wall or floor space in order to qualify for incentives in the arts and cultural district.
 - E. Any business claiming a license tax reduction ~~as an arts and cultural business~~ shall nonetheless file a complete license tax application with the commissioner of revenue *no later than March 1 and submit payment no later than March 15* as required by City Code § 70-305 and City Code § 70-306 .
 - F. No business shall be eligible for a license tax reduction if there is an outstanding building or zoning code violation against such business which is not remedied or resolved by the date specified in the notice of violation. No business shall be eligible for a license tax reduction unless it is current in its local tax obligations ~~on December 31, 2010 and continuously thereafter.~~
4. Section 22-704, "Administration," is amended as follows:

Sec. 22-704. Administration.

- A. The City Manager may administer applications through the Department of Economic Development and Tourism. Review of applications for continued eligibility shall be administered by the commissioner of revenue. In determining eligibility for the incentives contained herein, the City Manager shall be guided by the purpose of this article. Tax exemptions shall be subject to the rule of strict construction.

- B. ~~Any new or existing arts and cultural~~ business seeking to obtain the incentives of the district ~~for the first time~~ will meet with the Economic Development and Tourism staff and submit a completed program qualification application *no later than February 15*. The Economic Development and Tourism Department shall perform an initial review of the business or project to determine if it qualifies for incentives and then forward the application and recommendation to the City Manager. The City Manager, acting as the agent of the City Council, shall review the application and recommendation and make a final determination as to whether the business or project is qualified for the incentives herein.
- C. After ~~a an arts and cultural~~ business has been determined to be eligible by the City Manager, it must submit a review application to the ~~commissioner of revenue~~ *Economic Development and Tourism staff* annually on or before ~~March 1st~~ *February 15* of each year of the incentive period, demonstrating its continued eligibility for the license tax reduction. Any business claiming a license tax reduction as an arts and cultural business shall nonetheless file a complete license tax application with the commissioner of revenue *no later than March 1 and submit payment no later than March 15* as required by City Code § 70-305 and City Code § 70-306 .
- D. The original application and each review application shall be signed by an official officer, member, agent or representative of the business authorized to sign on its behalf.
- E. If the City Manager denies an application, he shall do so in writing stating the reasons therefor, and affording the applicant an opportunity to respond in writing or in person.

SEC. III. Effective Date.

This ordinance is effective immediately.

Votes:

Ayes:

Nays:

Absent from Vote:

Absent from Meeting:

Approved as to form:

Kathleen Dooley, City Attorney

Clerk's Certificate

I, the undersigned, certify that I am Clerk of Council of the City of Fredericksburg, Virginia, and that the foregoing is a true copy of Ordinance No. 20-21 duly adopted at a meeting of the City Council meeting held October 13, 2020 at which a quorum was present and voted.

Tonya B. Lacey, MMC
Clerk of Council



MEMORANDUM

TO: Mr. Timothy J. Baroody, City Manager
FROM: Brian Layton, Chief of Police
DATE: September 21, 2020
RE: Petit Larceny City Code Revision (54-19)

ISSUE:

Should the City Council make an amendment to the petit larceny ordinance to increase the value of goods from \$200 to \$1,000, consistent with the 2018 amendment to VA State Code 18.2-96?

RECOMMENDATION:

Council should amend the City Code to reflect an increase the value of goods from \$200 to \$1,000.

BACKGROUND:

An amendment to VA State Code Section 18.2-96 was adopted in 2020. The amendment mandated that petit larceny would be defined, in part, as the theft not from the person of another of goods and chattels of the value of less than \$1,000. City Code currently sets a \$200 threshold for petit larceny, and should be updated to bring it into compliance with the corresponding provision in the state code. Current ordinance with proposed amendments italicized:

§ 54-19 Petit Larceny

Any person who: (i) commits larceny from the person of another of money or other thing of value less than \$5; or (ii) commits simple larceny not from the person of another of goods and chattels of the value of less than ~~\$200~~*1000*; shall be deemed guilty of petit larceny, which shall be punishable as a Class 1 misdemeanor.

FISCAL IMPACT:

None.



October 13, 2020
Regular Meeting
Ordinance No. 20-__

MOTION:

SECOND:

RE: Amending § 54-19 of the City Code to Raise the Threshold of Petit Larceny

ACTION: APPROVED: Ayes: 0; Nays: 0

It is hereby ordained by the Fredericksburg City Council that Section 54-19 of the Fredericksburg City Code is amended as follows:

Section I. Introduction.

The 2020 General Assembly adopted legislation to raise the threshold dollar amount of money or value of goods taken at which the crime rises from petit larceny to grand larceny to \$1000.00. The Fredericksburg City Code currently sets a \$200.00 threshold for the offense of petit larceny. An update is needed to bring the City Code into compliance with the newly-revised analogous state code provision.

Section II. City Code Amendment.

Section 54-19 of the City Code is amended to delete the language shown in strikethrough and add the underlined language as follows:

§ 54-19 Petit Larceny

Any person who: (i) commits larceny from the person of another of money or other thing of value less than \$5; or (ii) commits simple larceny not from the person of another of goods and chattels of the value of less than ~~\$200~~1000; shall be deemed guilty of petit larceny, which shall be punishable as a Class 1 misdemeanor.

Section III. Effective Date.

This amendment to City Code § 54-19 is effective immediately.

Votes:

Ayes:

Nays:

Absent from Vote:

Absent from Meeting:

Approved as to form:

Kathleen Dooley, City Attorney

Clerk's Certificate

I, the undersigned, certify that I am Clerk of Council of the City of Fredericksburg, Virginia, and that the foregoing is a true copy of Ordinance No. 20- duly adopted at a meeting of the City Council meeting held October 13, 2020 at which a quorum was present and voted.

Tonya B. Lacey, MMC
Clerk of Council



CITY OF FREDERICKSBURG, VIRGINIA
CITY COUNCIL
MINUTES
Council Chambers, 715 Princess Anne Street
Fredericksburg, Virginia 22401

ITEM #9A

HON. MARY KATHERINE GREENLAW, MAYOR
HON. WILLIAM C. WITHERS, JR., VICE -MAYOR, WARD TWO
HON. KERRY P. DEVINE, AT-LARGE
HON. MATTHEW J. KELLY, AT-LARGE
HON. JASON N. GRAHAM, WARD ONE
HON. DR. TIMOTHY P. DUFFY, WARD THREE
HON. CHARLIE L. FRYE, JR., WARD FOUR

Council Work Session
June 9, 2020

Fiscal Year 2021 Budget Propositions Discussion

The Council of the City of Fredericksburg, Virginia held a work session on Tuesday, June 9, 2020, beginning at 5:30 p.m. using electronic communication through GoToMeeting pursuant to and in compliance with the City Council Ordinance 20-05, an ordinance to address Continuity of City Government during the pendency of a pandemic disaster.

Council Present. Mayor Mary Katherine Greenlaw, Presiding. Vice-Mayor William C. Withers, Jr., Councilors Kerry P. Devine, Timothy P. Duffy, Charlie L. Frye, Jr., Jason N. Graham and Matthew J. Kelly.

Also Present. City Manager Timothy J. Baroody, Assistant City Manager Mark Whitley, City Attorney Kathleen A. Dooley, Budget Manager Brenna Erford and Clerk of Council Tonya B. Lacey.

Disclosures. Councilor Duffy disclosed that he was a principal at James Monroe High School but he could participate fairly, objectively and in the public interest.

Councilor Frye disclosed that his spouse was an assistant principal in the Fredericksburg City Schools but he could participate fairly, objectively and in the public interest.

Fiscal Year 2021 Budget Propositions.

Highlights of First Read Budget. Mr. Whitley stated that the proposed budget was \$94,324,942 the original proposed budget before the pandemic was \$103,478,725 and last year's budget was \$100.1 million. This is a significant decrease.

Mr. Whitley listed several of the budget changes such as: the removal of the four percent pay increase, removal of the new full-time and part-time positions, reduction in the increase to public safety employees, reduced funding to the Fredericksburg City Schools, reduction to the debt service, reduction to the General fund transfer to capital, City support to library, jail and the juvenile detention center as well as other partner agencies. There were pay reductions to staff and the furlough of 40 positions. The savings were used to create the proposed budget. He stated there

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would be a significant decrease in sales, lodging, and meals taxes. There would also be decreases in the business tax revenue next March. Mr. Whitley said staff also planned to defer fee increases that were proposed. Real Estate fees have also been deferred for half a year.

The \$1.6 million of the \$3.6 million general fund balance would be transferred to Capital and he said they were hoping to cover the remainder of that with the funding from the CARES Act.

Mr. Whitley said staff was recommending a change to the general fund contingency in response to the change in condition, he thought they should increase it from \$500,000 to \$750,000. They also recommended authorizing the City Manager to use \$250,000 to help with reversing some of the furloughs or looking at allowing the hiring of a Assistant Human Resources Director and/or IT Security Manager.

The general fund attrition savings have been set at \$250,000 and at the end of the year they can see where the savings occur and this would help to reduce cost and they would like to increase this to \$750,000.

Mr. Whitley said they are recommending adopting the budget at 100 percent but appropriate the funds at 75 percent with the exception of fiscal agency funds and the multi-purpose stadium fund.

Councilor Kelly suggested that after the furloughs and staff pay cuts he wanted to see a lean and mean budget. He suggested cutting travel and education except for accreditation needs. He also said he would like to hold off on equipment upgrades. Councilor Kelly said he noticed increases in the Constitutional officer's budgets and with the state making cuts the City was bearing those costs.

Councilor Kelly's propositions: reduce travel lines, reduce equipment, and review Constitutional officer's budgets for savings.

Vice-Mayor Withers propositioned a three percent reduction in Council salaries.

Councilor Graham asked Mr. Whitley for specifics on the replacement vehicles. Mr. Whitley explained that the front end loader was at the end of its life and he recommended a lease purchase. The street Sweeper was essential and it ties into the MS4/Stormwater and one of them needs replacing. The IT computer replacements are on a 4 year cycle and he would not recommend reductions to those line items and the sheriff vehicles should not be deferred because it would cost more later.

CARES Act. The City received \$2.5 million there are restrictions to the money. One of the restrictions is that it cannot be used to supplant lost revenues. The funds need to be used between March 1 and December 30, 2020. Mr. Whitley said they have high level proposed allocations related to COVID expenses as well as economic assistance for businesses.

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Vice-Mayor Withers asked if the \$200,000 could be used to help with those who lost jobs and help to pay their rent. Mr. Whitley said he was not sure he would have to look at the reporting and make sure the City could meet the Federal requirements. Mr. Whitley said there was some CDBG funds that may help in that way.

Councilor Kelly said he wanted to be sure they make an impact and make the public aware of what the City would be doing with the money. Vice-Mayor Withers said he agree and said the intent is to keep the small businesses going.

Mayor Greenlaw said the amount distributed the first time made a lot of rent payments and it was a good beginning.

Adjournment. There being no further business to come before the Council at this time. Mayor Greenlaw declared the session officially adjourned at 6:31 p.m.

**Tonya B. Lacey
Clerk of Council
City of Fredericksburg**



MEMORANDUM

TO: Timothy J. Baroody, City Manager
FROM: Mark Whitley, Assistant City Manager
RE: CARES Act Funding Allocations
DATE: June 4, 2020 (for June 9 Worksession)

ISSUE

Shall the City Council adopt broad guidelines for CARES Act funding provided for pandemic response from the federal government?

RECOMMENDATION

The following report is provided for information, discussion, and deliberation only, and no action is requested.

BACKGROUND

The federal government has provided states and local governments with funding through the CARES Act for pandemic response. The CARES Act specifies that the funds may only be used to cover costs that:

- 1) are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
- 2) were not accounted for in the budget most recently approved as of March 27, 2020 for the State or local government; and
- 3) were incurred between March 1, 2020 and December 30, 2020.

The federal government guidance is clear that these funds may not be used to cover revenue shortfalls for the City.

The City has applied for and received its allocation, which is \$2,533,279.

City staff has been working to review the guidelines and draft expenditures that will use these resources to meet the pandemic crisis. There is a staff committee that will be working to review

One particular aspect of these funds is that staff recommends that they not be included in the original FY 2021 budget – rather, uses of the CARES Act funds should be budgeted as supplemental budget amendments.

Staff will also be very careful not to use CARES Act funding for any purpose that was already included in the original FY 2020 budget. There is guidance that suggests that if the funds were re-directed for pandemic purposes, then that would be acceptable.

Another aspect of the CARES Act funding is that there is no separate allocation for the City's regional governmental service partners, such as the Rappahannock Regional Jail, the Rappahannock Juvenile Center, the Central Rappahannock Regional Library, and the Rappahannock Area Office on Youth / Chaplin Youth Center. To the extent these agencies have eligible expenses under the CARES Act, they will have to rely on the City and the other regional partners to share allocated funds.

The below table presents a draft allocation of funds, for both March – June 2020 (FY 2020) and July – December (FY 2021) for the purposes of discussion.

FY 2020

Purpose	Amount	Discussion
FY 2020 Public Facilities and Parks Maintenance	\$75,000	Includes physical improvements to offices related to the pandemic; costs of additional cleaning and disinfecting; possibly personnel costs related to pandemic response.
FY 2020 IT Capital	\$75,000	Includes computer hardware and software related to telework for COVID response.
FY 2020 IT Operating	\$25,000	Personnel costs – Regular and OT – related to remote telework and other IT items related to the pandemic
FY 2020 Public Safety Operating	\$75,000	Personnel costs – Regular and OT – related to the pandemic response; plus related equipment
FY 2020 HR / City Manager / & Other Admin Operating	\$25,000	Personnel costs – Regular and OT – related to the pandemic response
Subtotal – FY 2020 Costs	\$275,000	

FY 2021

Purpose – FY 2021	Amount	Discussion
Economic Development Authority – Business Assistance	\$500,000	Support of small business community through EDA grant program
Economic Assistance	\$200,000	Support of individuals through human services partners and / or DSS
Regional Public Safety	\$250,000	Public Health & Public Safety responses for regional public safety-type agencies (Jail, Juvenile Center, OOH)
Public Facilities & Parks	\$300,000	Cleaning & Equipment Needs + possible personnel costs
Public Safety	\$300,000	Personnel costs – Regular and OT – related to the pandemic response; plus related equipment
Fredericksburg Rescue Squad Support	\$125,000	Help Provide Assistance and support to FRS during the pandemic
IT Fiber Project	\$180,000	Facilitate telework and system capabilities
IT Equipment	\$50,000	Reserve for additional equipment or software related to telework needs
Public Works	\$100,000	Personnel & Equipment related to pandemic response
HR / City Manager / & Other Admin Operating	\$50,000	Assistance with technical support for grant administration
HR / City Manager / & Other Admin Operating	\$20,000	Personnel costs – Regular and OT – related to the pandemic response
HR – COVID-related Leave	\$100,000	Personnel costs related to the granting of COVID-related leave as allowed by the CARES Act
Contingency / Unallocated	\$83,279	
Subtotal FY 2021	\$2,258,279	
Add – FY 2020	\$275,000	
Total CARES Act Allocation	\$2,533,279	

FISCAL IMPACT

The CARES Act will provide \$2.5 million in federal revenue to either the City, our regional partners, or the community through the allocations outlined above. These allocations are based upon estimates of funding need in many cases, and funding may need to be re-allocated as needs arise.



CITY OF FREDERICKSBURG, VIRGINIA
CITY COUNCIL
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Council Chambers, 715 Princess Anne Street
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ITEM #9B

HON. MARY KATHERINE GREENLAW, MAYOR
HON. WILLIAM C. WITHERS, JR., VICE -MAYOR, WARD TWO
HON. KERRY P. DEVINE, AT-LARGE
HON. MATTHEW J. KELLY, AT-LARGE
HON. JASON N. GRAHAM, WARD ONE
HON. DR. TIMOTHY P. DUFFY, WARD THREE
HON. CHARLIE L. FRYE, JR., WARD FOUR

Council Special Work Session
June 18, 2020

Next Steps Related to Civil Unrest

The Council of the City of Fredericksburg, Virginia held a special work session on Tuesday, June 18, 2020, beginning at 5:30 p.m. using electronic communication through GoToMeeting pursuant to and in compliance with the City Council Ordinance 20-05, an ordinance to address Continuity of City Government during the pendency of a pandemic disaster.

Council Present. Mayor Mary Katherine Greenlaw, Presiding. Vice-Mayor William C. Withers, Jr., Councilors Kerry P. Devine, Timothy P. Duffy, Charlie L. Frye, Jr., Jason N. Graham and Matthew J. Kelly.

Also Present. City Manager Timothy J. Baroody, City Attorney Kathleen A. Dooley, Police Chief Brian Layton and Clerk of Council Tonya B. Lacey.

Next Steps Related to Civil Unrest. City Manager Baroody gave an update on the actions of the past week. He recognized the anger and outrage that has been going on locally and nationally. He accepted responsibility for any part he contributed to this anger locally by directing the Chief of Police to treat protesters as city sponsored. He explained that the police were being staged a block or so behind the protester to divert traffic accordingly. He said he spoke to many property and business owners regarding this. He said they had been meeting with protesters all week and he hoped the evenings have been much quieter. Mr. Baroody noted that deescalating techniques would continue to be used but would need to be reciprocated by all. He was appreciative of the patience from the police officers, residents, business owner and protesters.

Mr. Baroody walked through the draft response and recovery plan which the immediate phase would play out over the next three to six weeks. (See Attachment I).

Councilor Graham said one important goal was reform measures but he said it would be important to recognize the proper role of police officers. He said they have been asked to take on roles such as psychologist, social worker, life coach, etc. He said the right personnel needed to be

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present. Councilor Graham said it was unfair to ask the officers to do this and he would like to make this an explicit goal.

Councilor Devine stated that our Police department was partnered with many local groups that support social services. She also suggested including someone from Social Services on the Incident Management Team.

Councilor Devine asked City Manager Baroody to let people know what script they would hear if they call 911 regarding protesters. City Manager Baroody read the statement that would be read to the public if they encounter protesters.

Councilor Devine asked the role of the Citizen Advisory Panel (CAP) and Chief Layton gave a brief history of how they were formed. He said the Panel was created in 2015 by Chief Nye, it included six professional members who live in the City. The role has been up to this point was two way, they met quarterly and it was the police's job to teach them what the department was all about. They would review department directives, use of force incidents, specialty teams, input in creating policy. They could also bring ideas, problems or suggestions to the Police Department that they see in the community and offer criticism or ways to improve. The panel was a huge step in the right direction and they will be sharing the after action report of the incidents of May 31 and June 2.

Councilor Frye stated that there was a request to have some younger members added to the CAP in order to help with communications. He would like to see a voice of the younger kids but he was not sure the legalities of this.

City Attorney Dooley stated that the CAP was involved in close review of their mission and membership. She said they were open to expanding the membership and bringing younger voices on the board. She said they were also looking at other CAP's within the Commonwealth to see what their memberships look like, and to see how they define their missions. She plans to bring this information to the City's CAP so they can determine how to shape their vision and membership proposals.

Councilor Frye also noted that the Incident Management Team does not have an African American on it and he believe it is important to have someone from the African American community.

Councilor Kelly said bringing in an outside group to look at the technical issues of law enforcement would not be a bad idea. He agreed there must be community involvement. He said their needed to be community discussion and he suggested going to the neighborhoods to discuss. He also suggested that the Council retreat not include this topic but to have an additional meeting to discuss this topic only.

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Councilor Kelly thanked Mayor Greenlaw, Councilor Devine, staff and the leaders of the protest for meeting and he spoke of how he appreciated Dr. Catlett talking to the protesters and telling them about her experiences. He expressed his concern with the protesters blocking traffic downtown and blocking/hitting cars and yelling at drivers. He said he fears there being an altercation by passion and fears. He wanted to be sure that when the Police are called they would respond. He added that there were some demands that were no brainers, but there were others that required discussions.

Vice-Mayor Wither agreed that the focus should be on reforms but suggested maybe the retreat should be extended from two days to three days in order to discuss all the issues. He asked Mayor Greenlaw if she could give an overview of the discussions with protesters.

Mayor said they sat down with the protest leaders and three of the demands were to have the charges expunged for the 51 who were out past curfew, give the identification of who issued the tear gas command, and a formal apology. The mutual concern of taking a look at the City's polices and a full report of what happened May 31 through the first full week of June. Mayor Greenlaw noted that the Council could not dictate what the Commonwealth Attorney does but they were speaking with her. She said this was a great opportunity to get young people engaged.

Vice-Mayor Withers said he was hopeful the City could find a way to calm people and find a way to communicate with them.

Councilor Duffy noted that the protester and their supporter have many questions and demands and he appreciate the way Council and staff has engaged them. He was hopeful that progress could be made with them. He hoped the City could remain focused on the issue of racial injustice and not be overcome by the other events. Councilor Duffy was thankful for City Manager Baroody moving forward on some of these things. He also wanted to make note that the CAP was an initiative of the Police Department. He said it was not imposed on them by right thinking people, they did it on their own. Councilor Duffy noted that the City has a forward thinking Police Department that would be moving forward with the City to a more racial justice society. He said there needed to be continued discussion that were educational for everyone and part of those discussions need to include what white privilege is as well as racial disparities.

Councilor Frye said he would like to be sure the Council sticks to the issues of racial disparities and injustices after the City deals with the protesters. He said the City had already opened the door and was already working on telling the story. He said the City had already been working on racial issues when it tackled the slave auction block.

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Councilor Graham stated that the City's Police Department has worked hard to build trust over the decades and they have nothing to hide and they were willing to be open to the community.

Vice-Mayor Withers suggested everyone wait to see what the report had to say before going with a third party and Councilor Graham said actions speak louder than words.

City Attorney Dooley said this would be a challenge the City would have to meet and she would work with the Council to develop a review process that would meet the community's expectation as well as the Council and the Police Department.

Mayor Greenlaw added that the City had been hearing from a lot of people and they appreciate the sincerity of all the messages from everyone. She said it was mutual concern that everyone was contacting the Council and they want to address all racial inequality and discrimination in all forms. She asked the entire community to join in and participate in the Community wide meetings. She said with the help of the entire community they would like to write the next chapter of this community.

Adjournment. There being no further business to come before the Council at this time. Mayor Greenlaw declared the session officially adjourned at 6:39 p.m.

Tonya B. Lacey
Clerk of Council
City of Fredericksburg

June 16, 2020 draft City of Fredericksburg response and recovery plan – calls for reform to address racial inequality and race discrimination.

Immediate phase

1. **Description:** the immediate phase, over the next three and six weeks, is a continuation of the incident response phase of emergency management. We anticipate that the community will continue to experience permitted and unpermitted demonstrations, including traffic and business disruption, especially in the downtown area. The continued disruption requires continued time, attention, and adaptation of City police and special events personnel. This time period will focus on gathering and preparing for the release of the information related to actions taken from Sunday, May 31st through the first week of June.

After this is accomplished a review by the Citizens Advisory Panel (and/or third party), and then the public will be prioritized. This phase will also include the planning for emergency recovery activities for the community.

2. **Goals:**
 - 2.1. Continue focus on the safety for protesters and the public as the top priority
 - 2.2. Formalize incident management team and have it meet regularly
 - 2.3. Complete administrative investigation of Use of Force Reports and Incident Command Reports; complete reports and submit for review by Citizen Advisory Panel
 - 2.4. Complete Professional Standards investigation into incidents of all uses of force
 - 2.5. Provide clear information to the public re: City goals and priorities, approach to enforcement
 - 2.6. Maintain/support Police Department and other City staff morale
 - 2.7. Reduce traffic conflicts and disruptions associated with protests
 - 2.8. Seek continuous public feedback for City's approach
 - 2.9. Obtain supplemental advisors as needed
 - 2.10. Discuss obtaining third party review of law enforcement actions of May 31st/June 1st
 - 2.11. Begin to identify reform topics for further consideration

3. Actions:

- 3.1. Continue to manage permitted protests
- 3.2. Continue to provide public safety for unpermitted protests
- 3.3. Communicate daily reports to the public
- 3.4. Improve outreach to the downtown business community
- 3.5. Schedule and hold City Council special meetings as necessary; update on progress; provide for Council discussion and direction/course correction as needed
- 3.6. City Council approves this plan and requests periodic updates (use visual approach of the two-year priority quarterly updates?)
- 3.7. Invite "Whole of Community" to participate in the City Council's response to racial injustice.
- 3.8. Identify proposed criminal justice reforms, compare to current Fredericksburg actions and make recommendations on a path forward

4. Incident management team:

- 4.1. City Manager
- 4.2. Public Information Officer
- 4.3. Chief of Police
- 4.4. Police Department Public Information Officer
- 4.5. Police Captain
- 4.6. Coordinator of Emergency Management (esp. liaison with Department of Health and Virginia Department of Emergency Management Services)
- 4.7. City Attorney
- 4.8. Assistant City Attorney
- 4.9. Director of Economic Development & Tourism
- 4.10. Director of Public Works
- 4.11. Director of IT (Project Management subject matter expert)
- 4.12. Special Events Supervisor

Intermediate Phase (end of June through end of August)

5. **Description:** This phase is expected to be characterized by the wind-down of emergency response activities and the turn toward emergency recovery activities. The important work of this phase is to continue to generate actionable proposals for the community's work over the next biennium. This phase will likely include a special session of the Virginia General

Assembly in August, which will include legislative proposals for criminal justice reform. This phase may begin earlier than end of June if emergency response phase ends earlier than expected.

6. Goals:

6.1. Continue work to reduce community disruption associated with protest activities

6.2. Turn the discussion to potential reform measures

7. Activities:

7.1. Continue/maintain Immediate Term actions as needed

7.2. Prepare for General Assembly Special Session

7.3. Identify criminal justice reform proposals and assess whether Fredericksburg Police Department meets the proposed reform element

7.4. Engage community stakeholders and encourage to continue to develop their proposed role in Whole of Community response

7.5. Plan for Whole of Community meeting(s)

7.6. Plan for City Council priority-setting two-day meeting – assess availability/desirability of facilitator

Strategic Planning Phase (September - January)

8. **Description:** The Council will hear from its community stakeholders through one or a series of “Whole of Community” meetings, in order to obtain input to shape its deliberations during its two-day priority-setting meeting. The Council will then hold its two-day meeting, informed by the community input. The Council will use the theme of racial equality to tie together its priorities for the next biennium and generate a draft statement of its Vision, Desired Future States, and Actions for community review.

9. **Goals:** The accomplishments of this phase will lay the groundwork for the longer-term City Council and community response to manifestations of racial inequality throughout the City.

10. Activities:

- 10.1. City Council holds one or more “Whole of Community” meetings with stakeholders. These meetings may be in-person or virtual, depending on the current state of the COVID-19 pandemic and the risk to community health.
- 10.2. City Council holds its two-day strategic planning meeting.
- 10.3. City Manager/consultant develops the product of the strategic planning meeting
- 10.4. City Council publishes draft strategic plan for public input
- 10.5. City Council adopts strategic plan and encourages its community stakeholders to adopt complementary action plans for the biennium



CITY OF FREDERICKSBURG, VIRGINIA
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Council Chambers, 715 Princess Anne Street
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ITEM #9C

HON. MARY KATHERINE GREENLAW, MAYOR
HON. WILLIAM C. WITHERS, JR., VICE -MAYOR, WARD TWO
HON. KERRY P. DEVINE, AT-LARGE
HON. MATTHEW J. KELLY, AT-LARGE
HON. JASON N. GRAHAM, WARD ONE
HON. DR. TIMOTHY P. DUFFY, WARD THREE
HON. CHARLIE L. FRYE, JR., WARD FOUR

Council Special Work Session
June 23, 2020

Economic Development Authority Interviews
Fiscal Year 2021 Budget

The Council of the City of Fredericksburg, Virginia held a special work session on Tuesday, June 23, 2020, beginning at 5:30 p.m. using electronic communication through GoToMeeting pursuant to and in compliance with the City Council Ordinance 20-05, an ordinance to address Continuity of City Government during the pendency of a pandemic disaster.

Council Present. Mayor Mary Katherine Greenlaw, Presiding, Vice-Mayor William C. Withers, Jr., Councilors Kerry P. Devine, Timothy P. Duffy, Charlie L. Frye, Jr., Jason N. Graham and Matthew J. Kelly.

Also Present. City Manager Timothy J. Baroody, City Attorney Kathleen A. Dooley, Police Chief Brian Layton and Clerk of Council Tonya B. Lacey.

Economic Development Authority Interviews.

Susan Richey – Ms. Richey said she was impressed with the work of the EDA. She said she is primarily an educator and she was a lawyer in a private partnership in California at one point, she went to New Hampshire as a professor of law and the Assistant Dean to Services. Ms. Richey is currently retired but working with the University of Mary Washington in the pre-law program. She is interested in education and workforce and she believes she can help the EDA in this area.

When Ms. Richey was asked how she would support minority businesses she said she would first work with the local community and forge alliances across barriers and find out what their needs are as far as educating their young people, so that the talent could stay in the City. She also stated that there were opportunities in the industry because they have determined they must be diverse and getting involved may be an opportunity for the industry. Ms. Richey said the City would need IT talent and cyber security in order to improve upon being a startup community. She suggested working with the military starting with Dahlgren. She said she would be in support of the workforce credentials grant, she also spoke of a program that was used in New York which is a partnership

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between High Schools, local colleges and industry players. The program take six years and allow students to graduate with a diploma and an associate's degree.

William Pasenelli – Mr. Pasenelli said he has been in the area for two and a half years and he wanted to help the community. He currently serves on the Germanna Community College Board and the Rotary. He said he could contribute to the EDA because he was a banker in the City. Mr. Pasenelli spoke about how difficult it was to find skilled people and that Germanna had a program to help with that. When asked about strategies the EDA could use to help the City with minority owned businesses Mr. Pasenelli said there was financing programs available but many were not aware of them and some are not sure how to move through the process. He noted that the Small Business Association could help people make that connection. Mr. Pasenelli said the biggest challenge for the City is that so much of the downtown area was dependent on dining and entertaining and COID has hurt those businesses and many are afraid to say they have a problem. He said they City has strength that revolve around location, workforce development educational institutions and it should find businesses that value those strengths. Mr. Pasenelli said you must be careful not to ignore businesses that have been around for a while. There must be a strategy for the unique things of Fredericksburg.

Fiscal Year 2021 Budget. Assistant City Manager Whitley reported that they have been monitoring FY2020 closely and he said some of the key revenues such as Meals and Lodging have suffered due to COVID-19, but other revenues are holding up. The shortfall may be between \$2-4 million which is better than previously projected. He gave staff credit for cutting back on expenses.

Mr. Whitley reported that FY2021 would be a little tighter than FY2020. Mr. Whitley previewed the propositions from the June 9 work Session (see attachment). He noted that the travel and training budgets were reduced by \$36,000 and it was added to the general fund contingency; Capital Equipment and there were no recommended reductions; Clerk of Circuit Court reduced his budget by \$10,200; staff checked funding levels for the other Constitutional Officers and there were some cuts to Commissioner of Revenue's travel and training; reducing Council salaries by three percent (3%) was included and the money was added to the contingency. He reported there were no tax increases nor fee increases but fees would be looked at later in the year.

Vice-Mayor Withers said he would like to give the SPCA \$5,000, which is half of what they requested and possibly revisit the other half later in the fiscal year. He said it would save the City a lot of money. Mayor Greenlaw asked where the money would be pulled from and Vice-Mayor Withers said from contingency.

ITEM #9C

Mr. Graham said the building permit line look like it was budgeted for a significant change in the amount of building permits. Mr. Whitley noted that the building economy changes quickly and because there was a bit of construction going on they felt comfortable increasing that number.

Councilor Kelly said there were employees furloughed and salaries cut and he had some heartburn with adding items in the budget but he would not stand in the way of the Council. He said he would like to revisit the items after the first quarter of the budget.

Council gave a thumbs up for adding the items to the budget for the second read.

Adjournment. There being no further business to come before the Council at this time. Mayor Greenlaw declared the session officially adjourned at 6:38 p.m.

Tonya B. Lacey
Clerk of Council
City of Fredericksburg



MEMORANDUM

TO: Timothy J. Baroody, City Manager
FROM: Mark Whitley, Assistant City Manager
RE: FY 2021 Budget Second Reading – Responses to Questions & Propositions
DATE: June 11, 2020

This memorandum will detail the staff responses to the propositions and questions from the City Council at the budget worksession of June 9, 2020.

Propositions – City Council

#1 – Travel & Training – evaluate, reduce if able and add savings to Contingency

The staff evaluated the FY 2021 First Read budget funding for the following line items: Subsistence & Lodging, Convention & Education, Mileage, and Fares, in the General Fund for potential savings opportunities. City Council also provided guidance to staff to reduce these line items in the City Council budget.

The evaluation produces reductions that total \$36,175. The budget resolution on second reading reflects the reduction in the various departments and the addition to the General Fund Contingency.

#2 – Capital Equipment – evaluate, reduce if able and add savings to Contingency

The FY 2021 Recommended Budget, as revised for first and second reading, has already reduced the funding available for capital equipment replacements.¹ The FY 2020 amended budget for General Fund capital outlay is currently \$1,467,923. The March 10 version of the Recommended Budget had an overall spending level for these lines of \$1,428,765. The current FY 2021 budget, based on second reading, is \$1,224,265.

The transfer from the General Fund to the Capital Funds, which accounts for larger capital projects, is also decreasing – from \$2,313,000 in the FY 2020 Amended Budget to a new recommended level of \$1,633,554.

There is some concern that additional significant reductions in these expenditures defers vehicle fleet or equipment replacements to future years, and creates replacement backlogs that are difficult to address in future cycles. Staff does not recommend further reductions in these line items and did not include any additional reductions in the second reading resolution.

#3 – Clerk of the Circuit Court – check and make sure the proffered reductions have been made

The Clerk of the Circuit Court, in working with the City Manager, reduced the budget for that office

¹ The discussion here centers on the “8000” line items in the General Fund – small operating capital replacements such as vehicles, etc.

by \$10,200. This was proposed in lieu of pay reductions for the staff of the Clerk of Circuit Court's office. In reviewing the budget prior to second reading, the staff had not made those line item reductions.

This is now changed for second reading, and the savings have been added to the General Fund Contingency. As a note, \$1,250 of the budget reductions are included in the training line reductions noted in Council's Proposition #1.

#4 – Check the Funding Level for the other Constitutional Officers

Staff evaluated the funding levels on first reading for the other Constitutional Officers. All of the offices save the Sheriff were reduced in funding. The Sheriff's office funding increased by 1.03%.

The staff worked with the Commissioner of the Revenue to reduce the recommendation for the training lines, which is included in staff's response to Proposition #1. Staff does not recommend any further reductions in these offices at this time. There may be a need to re-evaluate if the Commonwealth significantly reduces support through the Compensation Board for these offices after the planned special session of the General Assembly later this summer.

#5 – Reduce City Council Salary by 3% and add to General Fund Contingency

This change has been made. The City Council's total budget, after taking this change into account along with the changes to the travel lines, went from \$230,464 on first reading to \$220,142 for second reading.

As a result of these changes the General Fund Contingency is increased from \$750,000 on first reading to \$798,447 for second reading.

Staff Recommended Amendments for Second Reading

The following amendments to the budget are recommended for second reading by the staff.

#1 – Include Office on Youth Fund (fiscal agency)

The City is the fiscal agent for the Rappahannock Area Office on Youth and Chaplin Youth Center Commission. The Commission met on June 11, 2020 and adopted a final budget of \$1,492,571. This is now included in the resolution for second reading.

#2 – Amend Transit Operating Fund

Staff recommends some internal adjustments to the Transit Operating Fund based on additional federal revenue. The City's contribution for the Transit Operating Fund is recommended to be \$131,553 – which may be paid for through surplus motor fuels taxes. This is lower than the City's contributions in prior years. Contributions from other local partners are lower as well. Additional federal aid to transit systems will be available to help support FREDericksburg Regional Transit in FY 2021.

The total operating budget is recommended to be \$7,224,831.

#3 – Re-allocate funds within Economic Development and Tourism to part-time salaries

Staff recommends the re-allocation of most of the funds for the downtown trolley into the part-time salary line for Economic Development and Tourism to assist with the funding needed for the

Visitor's Center. The downtown trolley is not going to run this summer due to the pandemic, but \$2800 would remain in the budget for next summer's service. Total funding for the department remains the same.

#4 – Correct technical errors in Water Operating and Wastewater Operating Funds

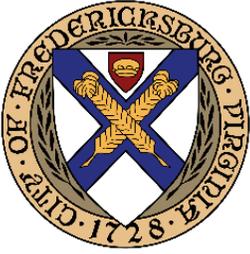
Staff made some internal adjustments to the Water Operating and Wastewater Operating Funds to correct the transfer to the General Fund from the contingencies within those funds. The total budget and total appropriation levels for both funds remain the same as for first reading.

#5 – Drug Court Lease Funds

After further consideration and communication with Judge Willis, the City has set up a separate set of accounts for this expense and moved it from the Circuit Court line items. The total expenditures remain the same.

#6 – Reallocation of Revenues – General Fund

The General Fund revenue figures have been re-categorized for second reading. In particular, telecommunication sales taxes are now classified as a revenue from the Commonwealth, and the fund balance source was updated and corrected. The total fund revenues remain the same.



CITY OF FREDERICKSBURG, VIRGINIA
CITY COUNCIL

MINUTES

Council Chambers, 715 Princess Anne Street
Fredericksburg, Virginia 22401

HON. MARY KATHERINE GREENLAW, MAYOR
HON. CHARLIE L. FRYE, JR., VICE -MAYOR, WARD FOUR
HON. KERRY P. DEVINE, AT-LARGE
HON. MATTHEW J. KELLY, AT-LARGE
HON. JASON N. GRAHAM, WARD ONE
HON. WILLIAM C. WITHERS, JR., WARD TWO
HON. DR. TIMOTHY P. DUFFY, WARD THREE

September 22, 2020

The Council of the City of Fredericksburg, Virginia, held a public hearing on Tuesday, September 22, 2020, beginning at 7:41 p.m. using electronic communication through GoToMeeting pursuant to and in compliance with the City Council Ordinance 20-05, an ordinance to address Continuity of City Government during the pendency of a pandemic disaster.

City Council Present. Mayor Mary Katherine Greenlaw. Vice-Mayor Charlie L. Frye, Jr., Council members Kerry P. Devine, Dr. Timothy P. Duffy, Jason N. Graham, Matthew J. Kelly and William C. Withers, Jr.

Also Present. City Manager Timothy J. Baroody, Assistant City Manager Mark Whitley, City Attorney Kathleen Dooley, Community Planning and Building Services Director Charles Johnston, Zoning Administrator James Newman, Fire Chief Mike Jones, Economic Development Director Bill Freehling, Economic Development Specialist Amy Peregoy, Diversity, Equity and Economic Advancement Officer Angela Freeman, Human Resources Director Lesley Moore, Budget Manager Brenna Erford and Clerk of Council Tonya B. Lacey.

Notice of Public Hearings (D20-__ thru D20-__). The Clerk read the notice of the public hearings as they appeared in the local newspaper, the purpose being to solicit citizen input.

Resolution Granting a Special Exception for Residential Density for the “Hanover House” Development at the Corner of Sophia Street and Hanover Street in Downtown Fredericksburg (D20-___). no speakers.

After staff presentation the Council had discussion on the affordability which is based on the Washington D.C. Metropolitan Statistical Area. Council also questioned why the commercial element had been scaled down and staff stated that the applications previous iteration included two or three restaurants which were more expensive and not fiscally attainable and the applicant decided he would not do restaurants.

Mayor Greenlaw closed the public hearing but noted that the public comments would be accepted through October 13.

Resolution Granting a Special Exception to Permit a Duplex Dwelling at 315/317 McKinney Street (D20-___). 1 speaker. Staff gave a brief presentation and Council asked who Havens for Heroes was, what other projects they have done and how they identify their tenants.

Brazel McKinney, 2217 Princess Anne Street, stated that Havens for Heroes was a 501C-3 organization formed by veterans who work with Veterans Affairs and local housing specialist to identify veterans who need housing. He said their first project was complete in Hampton.

Council was excited about the project and asked if they had planned to do other projects in the City. Mr. McKinney said he had not located another property yet.

Mayor Greenlaw closed the public hearing but noted that the public comments would be accepted through October 13.

Resolution Granting a Special Use Permit for Crown Trophy, a Retail Sales Establishment at 1529 Olde William Street (D20-___). no speakers. Staff gave a brief PowerPoint presentation and Council was pleased to see this business expanding within the City. There was also concern with the process of the applicant having to get a Special Use Permit when the area was entirely commercial. Staff explained that the CT zoning was the least intensive commercial district. Mr. Johnston said it was usually adjacent to residential areas but this property was some distance from residential and he said some of the CT zoning areas needed to be reevaluated.

Mayor Greenlaw closed the public hearing but noted that public comments will be accepted through October 13.

Resolution 20-73, First Read, Amending the Fiscal Year 2021 Budget and the Fiscal Year 2021 Fredericksburg City Public School Budget to Appropriate CARES Act Funds (D20-___). After a staff presentation Councilor Duffy disclosed that he is the Principal at James Monroe High School and he could participate fairly, objectively and in the public interest and Vice-Mayor Frye disclosed that his spouse is an employee of the Fredericksburg Schools and he could participate fairly, objectively and in the public interest.

Councilor Graham made a motion to approve Resolution 20-73, on first read, amending the Fiscal Year 2021 budget and the Fiscal Year 2021 Fredericksburg City Public School budget to appropriate CARES Act Funds; motion was seconded by Councilor Devine and passed with the following recorded votes. Ayes. Greenlaw, Frye, Devine, Duffy, Graham, Kelly, Withers. Nays. None.

Resolution 20-73, Second Read, Amending the Fiscal Year 2021 Budget and the Fiscal Year 2021 Fredericksburg City Public School Budget to Appropriate CARES Act Funds (D20-__). Councilor Graham made a motion to approve Resolution 20-73, on second read, amending the Fiscal Year 2021 budget and the Fiscal Year 2021 Fredericksburg City Public School budget to appropriate CARES Act Funds; motion was seconded by Councilor Devine and passed with the following recorded votes. Ayes. Greenlaw, Frye, Devine, Duffy, Graham, Kelly, Withers. Nays. None.

Mayor Greenlaw asked City Manager Baroody if the receipt of the CARES funds would allow the restoration of the staff's salaries and what the plans are for doing so. Mr. Baroody said they were working on a plan to restore salaries and add a one percent increase across the board.

Assistant City Manager Whitley explained that this was a two part plan first would be to restore the salaries, step two would be to give a one percent increase. Mr. Whitley said through various funding they would make this happen with the Council's approval. It would be effective on October 3 and show up in the October 23 paycheck.

Councilor Kelly asked for an explanation on what funding sources would be used to make this happen. Mr. Whitley said transit received major federal support and that funding would cover transit. He said they plan to use contingency, and funds from other sources that did better than expected during the pandemic. He said the CARES Act funding must be used carefully, but it could be used for somethings and free up money in other areas.

Council was in full support and thanked the staff for all their hard work during the pandemic. There has been a lot of effort on the staff's part and many people take a lot for

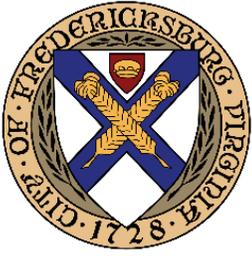
granted and many of these things are available because staff is working and making it all happen and they deserve a huge thank you.

Mayor Greenlaw reminded everyone that many were furloughed and the other staff had to take on more work while taking a pay cut and there were no complaints. She was thankful for that.

Adjourned. There being no more speakers to come before the Council at this time, Mayor Greenlaw declared the hearing officially adjourned at 8:35 p.m.

Mary Katherine Greenlaw, Mayor

Tonya B. Lacey, Clerk of Council, CMC



CITY OF FREDERICKSBURG, VIRGINIA
CITY COUNCIL
MINUTES

Council Chambers, 715 Princess Anne Street
Fredericksburg, Virginia 22401

HON. MARY KATHERINE GREENLAW, MAYOR
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HON. WILLIAM C. WITHERS, JR., WARD TWO
HON. DR. TIMOTHY P. DUFFY, WARD THREE

September 22, 2020

The Council of the City of Fredericksburg, Virginia, held a regular session on Tuesday, September 22, 2020, beginning at 7:30 p.m. using electronic communication through GoToMeeting pursuant to and in compliance with the City Council Ordinance 20-05, an ordinance to address Continuity of City Government during the pendency of a pandemic disaster.

City Council Present. Mayor Mary Katherine Greenlaw. Vice-Mayor Charlie L. Frye, Jr., Council members Kerry P. Devine, Dr. Timothy P. Duffy, Jason N. Graham, Matthew J. Kelly and William C. Withers, Jr..

Also Present. City Manager Timothy J. Baroody, Assistant City Manager Mark Whitley, City Attorney Kathleen Dooley, Community Planning and Building Services Director Charles Johnston, Zoning Administrator James Newman, Fire Chief Mike Jones, Economic Development Director Bill Freehling, Economic Development Specialist Amy Peregoy, Diversity, Equity and Economic Advancement Officer Angela Freeman, Human Resources Director Lesley Moore, Budget Manager Brenna Erford and Clerk of Council Tonya B. Lacey.

Opening Prayer and Pledge of Allegiance. Council was led in prayer by Vice-Mayor Charlie Frye, Jr. followed by the Pledge of Allegiance led by Mayor Mary Katherine Greenlaw.

Coronavirus (COVID-19) Update (D20-__). Chief Mike Jones reported that there have been 533 COVID cases in the City, within the health districts three hospital there were 19 patients who have tested positive. There have been four deaths since the last reporting period. The positivity rate has dropped to 6.1 a little higher than the state. Since the beginning of COVID there have been 37 outbreaks many have been in long term care facilities and 14 in a congregate setting. There are a little less than 1,000 cases in the hospital statewide. There have been 17,000 recovered and or released from the hospital statewide. Information from the University of Virginia determines that the caseloads have plateaued but remain higher in the southern counties near North Carolina.

Chief Jones reported that if there was cheaper and faster testing results, it could slow the spread down. He said some school systems are back in session and it will take a couple of weeks before they will know if the infection rates increase. The number being tested in the state is on target where they wanted it to be several months ago. He said that allows a test and trace strategy.

Chief Jones noted that the levels may rise after October because of seasonal changes, distancing fatigue, in-person school, increase in interstate travel and hurricane season. He noted that they have conference calls weekly with the University of Mary Washington. They have been doing random testing and out of 600 they found one case and that person was isolated. They are making sure there have not been any large parties which there have not been any. The University has been a very good partner.

Councilor Duffy said he was pleased with the University's plan as it has been very effective. He was grateful for their work.

Consent Agenda Accepted for Transmittal as Recommended (D20-__ thru D20-__). Councilor Kelly moved approval of the City Manager's consent agenda; motion was seconded by Councilor Withers and passed by the following recorded votes. Ayes (7). Councilors Greenlaw, Frye, Devine, Duffy, Graham, Kelly, Withers. Nays (0).

- Transmittal of Boards and Commission Minutes
 - Architectural Review Board – March 9, 2020
 - Architectural Review Board – May 11, 2020
 - Architectural Review Board – June 8, 2020
 - Architectural Review Board – June 22, 2020
 - Economic Development Authority – August 10, 2020
 - Fredericksburg Clean & Green Commission – July 13, 2020
 - Planning Commission – June 24, 2020
 - Planning Commission – July 8, 2020

Public Hearing. The regular session was recessed in order to conduct scheduled public hearings and immediately reconvened upon their conclusion.

Citizen Comment. The following comments were submitted to be read during the citizen comment portion of this evening's meeting.

Rebecca Rubin (D20-__), 724 Lee Avenue, submitted a letter from the members of Fredericksburg CLEAR (Climate, Environment and Resilience) Committee asking the Council to consider the information put forward by CLEAR, and relaying any decisions on how the information would be integrated into city planning and decision making going forward and they would like a work session to discuss the priorities. The priority areas for

CLEAR are: Land and Water Conservation, Sustainability Director/Guru, Comprehensive Climate Plan, Renewable Energy and Food Security and the Allocation of Food. See **D20-__** for more information.

Council Agenda Presented. The following items were presented to Council for discussion.

7A. Update on Racial Equity Plan – Mayor Greenlaw

Update on Racial Equity Plan (D20-__). Diversity, Equity and Economic Advancement Officer Freeman presented an update on the happenings since the August update.

Goal A: She spoke about the protest that took place on September 4 which were lawful and peaceful.

Goal B: The Crisis Communications Consultant will soon present a final communications plan to help guide the City’s communications strategy, production of the “Ask the Mayor Series and the Communications Team meet regularly to provide pertinent messaging via social media, news releases, letter to downtown businesses, etc.

Goal C: Preliminary on events that occurred May 31 and June 2 was provided to the Citizen Advisory Panel (CAP) and discussed in detail by Chief Layton. CAP also met with Police Executive Research Firm (PERF) to discuss the report. PERF also met with members of the Fredericksburg Police Department and PERF is accepting public comments. The Police department identified areas in its response to civil unrest and mass arrest procedures and have made recommendations for changes or additions and it was given to PERF for review.

Goal D: the application period for new CAP members closed and the Police Department have conducted interviews and they are in the process of selecting potential new members. Staff is planning an outreach session supported by a facilitator in late October or November. Information will be compiled and analyzed to provide to the Council for consideration at its upcoming retreat.

Goal E: Work is continuing on the “Telling Our Story” projects, interpretation of Charles and William Streets, relocation and interpretation of Slave Auction Block at the Fredericksburg AREA Museum, final edits on wayfinding panels for DeBaptiste, Freedom Rider and the Green Book and staff is reviewing recommendations to consider in updating the tourism film. Finally, an internal team has been working on the Council’s off-site retreat.

Adoption of Minutes. Councilor Graham moved approval of the September 8, 2020 Regular session minutes; motion was seconded by Councilor Withers and passed by the following recorded votes. Ayes (7). Councilors Greenlaw, Frye, Devine, Duffy, Graham, Kelly, Withers. Nays (0).

Fredericksburg Arts Commission Appointment – Kenneth Lecky. Councilor Graham made a motion to reappoint Kenneth Lecky to the Fredericksburg Arts Commission; motion was seconded by Councilor Devine and passed by the following recorded votes. Ayes (7). Councilors Greenlaw, Frye, Devine, Duffy, Graham, Kelly, Withers. Nays (0).

Ordinance 20-21, First Read Approved, Expanding the Arts & Cultural District, and Extending Tax Incentives, up to \$250 Per Year, to Ten Years for All Qualifying Businesses in the District (D20-__). After a

brief staff presentation Councilor Devine made a motion to approve Ordinance 20-21, on first read, expanding the Arts & Cultural District, and extending tax incentives, up to \$250 per year, to ten years for all qualifying businesses in the district; motion was seconded by Councilor Graham and passed by the following recorded votes. Ayes (7). Councilors Greenlaw, Frye, Devine, Duffy, Graham, Kelly and Withers. Nays (0).

Resolution 20-74, Approved, Implementing Changes to the Holiday Schedule, Contained in the City Human Resources Policies (D20-__).

After staff presentation Councilor Withers made a motion to approve Resolution 20-74, implementing changes to the holiday schedule, contained in the City Human Resources policies; motion was seconded by Councilor Graham and passed by the following recorded votes. Ayes (7). Councilors Greenlaw, Frye, Devine, Duffy, Graham, Kelly and Withers. Nays (0).

Resolution 20-75, First Read Approved, Amending the Fiscal Year 2021 Fredericksburg City Public Schools Budget to Supplement Resources for the School Operating Fund and the School Grants Fund

(D20-__). After a brief staff presentation Councilor Duffy disclosed that he is the Principal at James Monroe High School and he could participate fairly, objectively and in the public interest and Vice-Mayor Frye disclosed that his spouse is an employee of the Fredericksburg Schools and he could participate fairly, objectively and in the public interest.

Councilor Kelly made a motion to approve Resolution 20-75, on first read, amending the Fiscal Year 2021 Fredericksburg City Public Schools budget to supplement resources for the School Operating Fund and the School Grants Fund; motion was seconded by Councilor

Withers and passed by the following recorded votes. Ayes (7). Councilors Greenlaw, Frye, Devine, Duffy, Graham, Kelly and Withers. Nays (0).

Resolution 20-75, Second Read Approved, Amending the Fiscal Year 2021 Fredericksburg City Public Schools Budget to Supplement Resources for the School Operating Fund and the School Grants Fund

(D20-__). Councilor Kelly made a motion to approve Resolution 20-75, on second read, amending the Fiscal Year 2021 Fredericksburg City Public Schools budget to supplement resources for the School Operating Fund and the School Grants Fund; motion was seconded by Councilor Graham and passed by the following recorded votes. Ayes (7). Councilors Greenlaw, Frye, Devine, Duffy, Graham, Kelly and Withers. Nays (0).

City Manager's Report and Council Calendar (D20-__ thru D20-__). City Manager Baroody directed the Council's attention to the Manager's Update: Voting in the City, Wind Down Wednesdays, Ask the Mayor Video Series, Chatham Bridge Closure, Upcoming Council Meetings, Census 2020, COVID-19 (Coronavirus), CARES Act Funding in Action, Christmas Parade 2020, Nature Programs, Fall Programs and Fred Focus.

Adjournment. There being no further business to come before the Council at this time, Mayor Greenlaw declared the meeting officially adjourned at 9:46 p.m.

Mary Katherine Greenlaw, Mayor

Tonya B. Lacey, Clerk of Council, MMC

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MEMORANDUM

TO: Mayor Greenlaw and City Council
FROM: Tonya B. Lacey, Clerk of Council
DATE: October 8, 2020
SUBJECT: Fredericksburg Clean and Green Commission Appointment

A handwritten signature in blue ink, appearing to be 'T. Lacey', located to the right of the memorandum header.

BACKGROUND

The unexpired term that Sarah Hurst is serving expires on October 31, 2020. Ms. Hurst is eligible and interested in being reappointed for her first full term.

RECOMMENDATION

At the October 13, regular session, Council is requested to reappointment Ms. Hurst to the Clean and Green Commission.

The appointment application is attached for your review and consideration.

Attachments: Applications



MEMORANDUM

TO: Mayor Greenlaw and City Council
FROM: Tonya B. Lacey, Clerk of Council
DATE: October 8, 2020
SUBJECT: Fredericksburg Arts Commission Appointment

A handwritten signature in blue ink, appearing to be 'T. Lacey', located to the right of the memorandum header.

BACKGROUND

Due to the resignation of two members of the Fredericksburg Arts Commission there are a couple of vacancies on the Commission. Ms. Alma Withers has applied and is interested in serving as an At-Large member.

RECOMMENDATION

At the October 13, regular session, Council is requested to make 1 appointment to the Fredericksburg Arts Commission. The appointment application from the applicant is attached for your review and consideration.

Attachments: Application



MEMORANDUM

TO: Timothy J. Baroody, City Manager
FROM: James Newman, Zoning Administrator
DATE: October 5th, 2020 for the October 13th City Council Meeting
SUBJECT: *SE2020-05, Thomas Mitchell* requests a Special Exception to revise the approved General Development Plan for a mixed-use structure to be located at the corner of Sophia and Hanover Streets, at 100, 106, and 108 Hanover, and 718 Sophia Street.

ISSUE

Should the Planning Commission recommend approval for a modified General Development Plan (GDP) from a 45,000 sq. ft. mixed-use structure to a 28,566 sq. ft. predominantly residential structure?



RECOMMENDATION AND CONDITIONS

Approve the Special Exception subject to the following conditions:

- 1) The project shall be developed in substantial accordance with the application for special exception dated August 27, 2020, subject to review and approval by the Architectural Review Board (“ARB”). Changes in the mass, scale, and final architectural details of the project required by the ARB do not require an amendment of this special exception if there is no substantial revision to the project as proposed. The Owner shall obtain all ARB approvals necessary for the project.

- 2) Thomas H. Mitchell or successor in interest (“Owner”) shall record an approved plat of resubdivision and dedicate an easement to the City widening the Hanover Street alley its entire length, from Hanover Street to its terminus point, so that it will have a minimum width of 20 feet.
- 3) Based on the identification-level archaeology survey completed by Dovetail Cultural Resource Group in 2019, an archaeological site has been determined to exist and is likely to be significant. The Owner shall conduct additional archaeological investigation and mitigation of impacts, as appropriate.
 - a) The major site plan shall incorporate mitigation measures to preserve or accommodate archaeological resources, such as avoidance or recovery, reduction in the size or scope of land-disturbing activities, or the implementation of other mitigation measures, such as Phase II evaluation testing, Phase III data recovery, and interpretation of the site, as recommended by the archaeologist, to the degree possible.
 - b) Should avoidance not be achievable, a memorandum of agreement shall be crafted to outline the steps required to meet this ordinance. The memorandum of agreement shall be prepared in accordance with Virginia Department of Historic Resources procedures, and the Development Administrator and the landowner shall be signatories on the ensuing document.
 - c) The Development Administrator may approve the major site plan application before the completion of the required Phase II or Phase III investigations, only if feasible and consistent with the purposes of the district and upon ratification of the memorandum of agreement.
 - d) If unexpected archaeological resources are discovered on the development site after approval of the major site plan without the imposition of appropriate mitigation measures, then the Development Administrator shall issue an order to cease and desist all development activity in the affected area for up to seven days in order to develop and implement mitigation measures that meet the criteria in section (b).
- 4) The development of the project shall include the following pedestrian improvements:
 - a) The Owner shall install a streetscape along the Sophia and Hanover Street frontages consisting of at a minimum a full width brick sidewalk, street trees as required under § 72-55.6, and pedestrian scaled site lights (standard downtown lighting), subject to review and approval by the City and Public Utility Review Committee under City Code Chapter 66, Article V.
 - b) The Owner shall install mirrors at the entrance to the parking garage to ensure adequate visibility of cars and pedestrians.
- 5) Four units, comprised of one studio, one one-bedroom, and two two-bedrooms, shall be reserved as affordable to those earning 50% of Area Median Income as defined by the HUD

HOME program, low rent limit. The owner shall submit annually to the Zoning Administrator a report outlining the rents being charged and confirmation that all households in those units are verified to be under 50% of AMI, as defined by HUD based on household size. The affordability standard will apply as long as the development remains a rental property. Annual reports shall be sent starting one year after approval of the site plan.

- 6) The site plan for the project shall include the grading, paving, and improvement of the Hanover Street alley to conform to the development standards in Article V of the Unified Development Ordinance.

GENERAL BACKGROUND AND EXISTING SPECIAL EXCEPTIONS

The One Hanover project is proposed on four lots at the south west intersection of Hanover and Sophia Streets. The lots are identified as GPIN 7789-24-0627, 7789-24-0658, 7789-24-0697, and 7789-24-1509 and are a total of 0.45 acres. The parcels are zoned Commercial Downtown, are within the Old and Historic Fredericksburg Overlay District (subject to Architectural Review Board oversight), and are within the Floodplain Overlay District.

The parcels are all within the 100 year floodplain and as such are subject to the Floodplain Overlay District. The Floodplain Overlay District requires that all residential development be elevated 1 ½ feet above the established Base Flood Elevation on a property. It also requires that all commercial development that is not elevated out of the floodplain be flood-proofed to the level of the one-hundred-year flood in accordance with the Virginia Uniform Statewide Building Code.

On August 27, 2013, the City Council approved four special exceptions and a special use permit related to a previous version of the One Hanover project. The special exceptions were for building height (increased from 50 to 56 feet), floor area ratio (increased from 3.0 to 3.225), required ground floor non-residential percentage (decreased from 100% to 15%), and residential density (increased from 36 units an acre to 40 units per acre to permit a total of 18 units). The special use permit was for construction of a building within the flood plain.

The adoption of the Unified Development Ordinance in October 2013 rendered three out of the five required approvals obsolete. The required ground floor non-residential percentage in the CD zoning district is now required to be 15%, the floor area ratio calculation no longer includes parking garage or residential square footage, and building within the floodplain no longer requires a special use permit.

A revised version of the project again went before public hearings in 2018 and 2019. The mass and scale of this of the One Hanover proposal was approved by the Architectural Review Board on December 10, 2018. Council approved a Special Exception for 24 units (53 units/acre) in a four-story, 45,000 sq. ft. building at this site with 13,068 sq. ft. of commercial space, in February 2019.

This application is intended to modify the GDP. This proposal would decrease the building to 28,566 sq. ft. with 24 residential units and 2,755 sq. ft. of commercial space.

CITY COUNCIL PUBLIC HEARING

City Council held a public hearing on September 22nd. There were no public comments. Council discussed the placement of Fredericksburg within the Washington D.C. Metropolitan Statistical Area for calculating affordable rent prices. Council also inquired about the reduction in commercial space for

the project, which according to the applicant is that the current economic environment does not support restaurant uses.

PLANNING COMMISSION

The Planning Commission held a public hearing for this application on September 9th, 2020. There was no public comment. The Commissioners asked about having additional pedestrian crossings marked along Sophia Street and Hanover. Additional crossings will be made as part of the development of the adjacent Riverfront Park project

The Commission also asked about the possibility of turning one of the four proposed parking spaces on Hanover Street into a handicap accessible parking space. Public Works is reviewing the issue, and it will be dealt with during site plan review.

The Planning Commission voted to recommend **approval** subject to conditions 6-0 (with 1 absent).

ARCHITECTURAL REVIEW BOARD

The Architectural Review Board approved the mass and scale of the project on their September 23, 2020 meeting.

PROPOSED SPECIAL EXCEPTION REQUEST

The applicant seeks to decrease the width of the structure, minimize the space devoted to non-residential uses, and therefore decrease parking. The number of residential units does not change from previous approvals. 24 parking spaces will be provided on-site with four parking spaces adjacent to the site on Hanover Street.

SPECIAL EXCEPTION ANALYSIS

Unified Development Ordinance (UDO) § 72-22.7 contains review criteria that the Planning Commission and City Council shall use when evaluating an application for a Special Exception. These criteria are:

1. Consistency with the UDO:

The proposed One Hanover project is zoned Commercial Downtown (CD) and is within the Old and Historic Fredericksburg Overlay District and the Floodplain Overlay District. The purpose of the CD Zoning District is

“to promote harmonious development, redevelopment, and rehabilitation of uses in the commercial areas of the Old and Historic Fredericksburg (HFD) Overlay District. The regulations of this district are intended to implement the goals of the Comprehensive Plan for historic district development while encouraging mixed uses in the downtown area. The emphasis in site planning is to be placed upon enhancing pedestrian circulation, minimizing vehicular and pedestrian access conflicts among uses, respecting the geometry of the downtown streetscape, and maintaining continuity with the architectural precedents of the historic area.”

The proposed project would provide for redevelopment of a vacant site. It would provide additional housing, some commercial space, and would bring about pedestrian-scale improvements to lighting, street trees, and sidewalks, while preserving the historic character of Downtown. The obtained an Architectural Review Board approval for the site planning, mass, and scale of the project.

2. Consistency with the Comprehensive Plan (CP)

Transportation Goals (page 8)

Goal 8: Urban Development Areas. *Recognize that the entire City of Fredericksburg is a strategic growth area within the region and continue to ensure that land use decisions recognize that compact, integrated development is the best use of finite urban space.*

This project is an integrated, compact, multi-story development that makes efficient use of finite urban space. Increasing density is in keeping with the desire for compact walkable development.

Business Opportunity Goals (page 10)

Goal 1: Downtown as a Center for Commerce, Culture, and Community. *Ensure that downtown Fredericksburg continues to serve as a center of commerce, art, culture, recreation, historic amenities, and government, in order to provide economic stability and a sense of community. Actively pursue the preservation and adaptive reuse of downtown buildings and ensure that infill projects are designed with sensitivity to the City's historic character.*

This infill mixed-use project serves as a reuse of vacant space in the Historic Core of the City, and provides for economic development and living space, contributing to a vibrant downtown.

Goal 2: A well-balanced mix of uses Downtown. *Achieve a sustainable mix of commercial and residential development downtown that fits the historic character of the urban core and helps people to live, shop, and work in the city center.*

This mixed-use project provides places to live and shop. The building design is meant to evoke the historic building style associated with the City center, and the mass and scale of the project has been approved by the ARB.

Goal 4: Community Character. *Preserve and enhance the City's visual appeal by pursuing patterns of development that respect the City's historic growth pattern (mixed-use development) and by installing landscaping and street trees (complete streets).*

The applicant has designed the project to be consistent with its historic context, responding to the architectural character of downtown Fredericksburg, without copying architectural details. The project will also enhance downtown's economic strength.

Residential Neighborhood Goals (page 11)

Goal 1: Neighborhood Character. *Preserve the character of the City's neighborhoods, by respecting and maintaining their functional design (sidewalks, alleys, street trees, etc.).*

Conditions for approval require the alley to be widened to permit service and emergency vehicles, street trees and wide sidewalks be provided for pedestrians, and colonial lighting provided as a tie to the history of the downtown core.

Goal 2: Neighborhood Quality. *Enhance the quality of the City's residential areas, to promote livability and a sense of community. Livability is defined as safe and walkable, with a variety of housing choices and ready access (walking, biking, transit, automobile) to work, shopping, and services.*

The project included walkability upgrades (sidewalk, pedestrian lighting, widened alleys), a mixture of commercial and residential uses, and on-site parking.

Goal 3: Distinct and Attractive Neighborhoods. *Ensure the residential areas of the City continue to comprise a collection of distinct and attractive neighborhoods, each possessing a sense of place, history, and shared identity.*

The mass and scale of the project has been approved by the ARB. Approval of the building details is still required. The project will also revitalize a vacant corner opposite the City's Riverfront park and provide streetscape improvements.

Goal 4: Adequate Public Services and Facilities. *Ensure that residential neighborhoods are adequately served with efficient and multi-modal transportation, available parking, street trees, and public services such as trash pickup, leaf removal, and snow plowing*

Parking is provided on-site, the applicant will be planting new street trees, and will be placing pedestrian level lighting along a widened sidewalk. The alley will be widened, with improved paving and drainage.

Historic Resources Goals (page 12)

GOAL 1: City Character. *Protect and enhance the character of Fredericksburg's historic area and city center as a means to preserve the community's sense of place, to promote economic strength, and to ensure the City's continued appeal to residents, businesses, and visitors.*

The revised design of the structure is in keeping with historically appropriate designs, but has not yet been approved by the ARB. Goal 2 of the City's Historic preservation Plan calls for: *"Establish controls to assure that archaeological sites and subsurface materials are properly identified, evaluated and mitigated prior to excavation projects throughout the city."* An archaeology study is required as a condition of the Special Exception.

GOAL 2: Redevelopment. *Promote redevelopment of downtown properties in a manner that reflects the character of the City as a vibrant and growing community.*

This project promotes redevelopment of vacant space with a vibrant mixed use property.

3. Other Goals and Initiatives – Affordable Housing

Goal 7 of *Residential Neighborhood Goals* calls for *"Affordable Housing: All persons who live and work in Fredericksburg should have the opportunity to rent or purchase safe, decent, and accessible housing within their means"*, while Goal 8 calls for *"Variety of Housing: Provide a variety of housing opportunities throughout the City that respect the character of the community."*

As a condition of approval, the applicant will be providing 4 units of affordable housing, for the duration of time that they are rental properties.

Fredericksburg is located within the Washington D.C. Metropolitan Statistical Area. 50% of the Average Median Income (AMI) for 1 person is \$41,050; for a family of 2 it's \$46,900; and for a family of 3 it's \$52,750.

Rent based on a 30% affordability for those making 50% of AMI would be: An Efficiency unit at \$1,100 a month; A One-Bedroom Unit at \$1,120 a month; a Two-Bedroom at \$1,280 a month. These

figures come from the Housing Opportunities Made Equal organization in conjunction with Department of Housing and Urban Development, and are subject to change on a yearly basis.

SPECIAL EXCEPTION ANALYSIS

- 1. Whether there has been a sufficient period of time for investigation and community planning with respect to the application.*

The Technical Review Committee has completed its review and the Applicant has responded to comments made.

- 2. Whether the special exception is consistent with the principles of good zoning practice, including the purposes of the district in which the special exception would be located, existing and planned uses of surrounding land, and the characteristics of the property involved.*

The Downtown is comprised of a mix of commercial and residential use types and is a focal point for City investment in infrastructure and services. The applicant will making improvements to the streetscape. Its location across from Riverfront Park will help extend pedestrian amenities and the streetscape, better linking the commercial street frontage with Riverfront Park.

- 3. Whether the proposed use or aspect of the development requiring the special exception is special, extraordinary or unusual.*

The request is special. It fulfills the vision of the Comprehensive Plan for the revitalization of neighborhoods and businesses within the historic district. It can allow for an increase in the supply of affordable housing stock within the City, while filling in vacant space with a structure that harkens back to the historic design of buildings in the downtown core. A Phase I archaeological dig has already been carried out at the site, and further artefacts may be found in development.

- 4. Whether the proposed exception potentially results in any adverse impacts on the surrounding neighborhood, or the community in general; and if so, whether there are any reasonable conditions of approval that would satisfactorily mitigate such impacts.*

Parking: The applicant is required to have 28 spaces. There are 24 parking spaces in the on-site garage, plus four spaces on Hanover Street.

Transportation: The properties are zoned Commercial-Downtown (CD). The use of commercial retail space, and multi-family housing are allowed by-right in CD zoning. This application asks for 24 residential uses with a commercial space. The Institute of Transportation Engineers (ITE) Trip Generation Manual estimates that apartment units generate 10 trips (5 leaving and 5 arriving) every day. The City's version of the ITE notes that these numbers are geared toward garden apartment complexes in single use automobile environments. The trip generation in a Downtown environments is likely to be substantially less.

Pedestrian environment: The transportation focus of the application is on ensuring that the pedestrian environment is cohesive, safe, and accessible. To ensure the appropriate improvements are constructed, several conditions were added to the staff recommendation for approval. The applicant

shall construct the full pedestrian streetscape (including wide brick sidewalks, street lights, and street trees) along Hanover and Sophia Street frontages. The geometry of the entrances to the buildings should be designed so that any required ramps into the building or the paths of opening doors do not restrict the sidewalk area. The exterior entrance to the garage along Sophia Street shall contain mirrors to enhance pedestrian and vehicular visibility at the point the garage discharges over the sidewalk.

CONCLUSION

The proposal is to turn a mixed-use project into a predominantly residential structure with one 2,755 sq. ft. commercial space. Density of 53 units an acre was previously approved by Council. It meets the goals of the Comprehensive Plan. The Planning Commission voted to recommend **approval** to City Council.



October 13, 2020
Regular Meeting
Resolution No. 20-__

MOTION:

SECOND:

RE: Granting a Special Exception for Residential Density for the “Hanover House” Development at the Corner of Sophia Street and Hanover Street in Downtown Fredericksburg

ACTION: APPROVED: Ayes: 0; Nays: 0

City Council approved Resolution 19-20, granting a special exception for residential density for the “One Hanover” mixed use development, at its regular meeting on February 26, 2019. The development as approved was a 3 ½ story building with structured parking and commercial space on the ground floor, restaurant space on the second floor, and a proposed 24 residential units on the upper floors. A condition of approval was that the project shall be developed in substantial accordance with the application dated November 9, 2018, subject to review and approval by the Architectural Review Board.

City Council had previously adopted Ordinance 07-45, vacating the “Sophia Street Alley,” which bisects the development site, on November 13, 2007. As a condition to the vacation of the Sophia Street Alley, City Council required Mr. Mitchell to dedicate an easement widening the Hanover Street Alley to 20 feet along its entire length. This condition was also included in Resolution 19-20.

The landowner, Thomas H. Mitchell, has revised the proposed development in light of a reduced market demand for new restaurant space. The new development plan removes 10,313 square feet of restaurant lease space from the second floor; reduces the gross square footage of the mixed use building from 41,432 square feet to 28,566 square feet; and reduces the amount of parking on the site. The new development plan for “Hanover House,” like the approved 2019 development plan for “One Hanover,” proposes 24 multi-family dwelling units, with four units being designed as affordable housing units.

City Council, after notice and public hearing thereon, has considered the special exception amendment application in light of its conformity with the City’s criteria for the review of special exception applications.

It is hereby resolved:

1. The City Council makes the following findings with respect to the application:
 - a. The proposed use is unique and unlikely of recurrence;
 - b. The grant of a special exception is consistent with the City’s Comprehensive Plan;
 - c. The special exception is consistent with the goals, purposes and objectives of the City’s zoning ordinance;

- d. There has been a sufficient period of time for investigation and community planning with respect to the application;
 - e. The special exception is consistent with the principles of good zoning and good zoning practice, including the purposes of the district in which the special exception would be located, existing and planned uses of surrounding land, the characteristics of the property involved, and the adverse impacts of the proposed use;
 - f. The proposed use or aspect of development requiring the special exception is special, extraordinary or unusual;
 - g. The application has demonstrated that its application meets all these criteria.
2. The City Council further finds that the owner completed an identification-level archaeology survey of the project site, conducted by Dovetail Cultural Resource Group, in 2019. Based on this survey, an archaeological site has been determined to exist and is likely to be significant.
 3. Council grants a special exception to the maximum residential density regulations of the Commercial-Downtown zoning district for the “Hanover House” development on property identified as GPIN 7789-24-1509 in the City’s Geographic Information System, to permit 53 residential units per acre, with the following conditions:
 - a. The project shall be developed in substantial accordance with the application for special exception dated August 27, 2020, and the Generalized Development Plan dated August 27, 2020, subject to review and approval by the Architectural Review Board (“ARB”). Changes in the mass, scale, and final architectural details of the project required by the ARB do not require an amendment of this special exception if there is no substantial revision to the project as proposed.
 - b. As a condition to site plan approval, the owner shall record an approved plat of resubdivision and dedicate an easement to the City widening the Hanover Street alley its entire length, from Hanover to its terminus point, so that it will have a minimum width of 20 feet.
 - c. The owner shall conduct additional archaeological investigation and mitigation of impacts of the project development, as follows:
 - i. The major site plan shall incorporate mitigation measures to preserve or accommodate archaeological resources, such as avoidance or recovery, reduction in the size or scope of land-disturbing activities, or the implementation of other mitigation measures, such as Phase II evaluation testing, Phase III data recovery, and interpretation of the site, as recommended by the archaeologist, to the degree possible.
 - ii. Should avoidance not be achievable, a memorandum of agreement shall be crafted to outline the steps required to accommodate archaeological resources through other

means. The memorandum of agreement shall be prepared in accordance with Virginia Department of Historic Resources procedures, and the Development Administrator and the landowner shall be signatories.

- iii. The Development Administrator may approve the major site plan application before the completion of the required Phase II or Phase III investigations, only if feasible and consistent with the accommodation of the archaeological site identified in the Phase I study.
 - iv. If unexpected archaeological resources are discovered on the development site after approval of the major site plan without the imposition of appropriate mitigation measures, then the Development Administrator shall issue an order to cease and desist all development activity in the affected area for up to seven days in order to develop and implement mitigation measures that meet the criteria in section (ii).
- b. The development of the project shall include the following pedestrian improvements:
- i. The owner shall install a streetscape along the Sophia and Hanover Street frontages consisting of at a minimum a full width brick sidewalk, street trees as required under §72-55.6, and pedestrian scaled site lights (standard downtown street lighting), subject to review and approval by the City and Public Utility Review Committee under City Code Chapter 66, Article V.
 - ii. The owner shall install mirrors at the entrance to the parking garage to ensure safe and adequate visibility of cars and pedestrians.
- c. Four units, comprised of one studio, one one-bedroom, and two two-bedrooms, shall be reserved as affordable to those earning 50% of Area Median Income as defined by the HUD HOME program, low rent limit. The owner shall submit annually to the Zoning Administrator a report outlining the rents being charged and confirmation that all households in those units are verified to be under 50% of AMI, as defined by HUD based on household size. The affordability standard will apply as long as the development remains a rental property. Annual reports shall be sent starting one year after approval of the site plan.
- d. The site plan for the project shall include the grading, paving, and improvement of the Hanover Street alley to conform to the development standards in Article V of the Unified Development Ordinance.

Votes:

Ayes:

Nays:

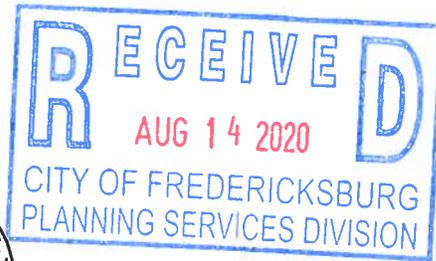
Absent from Vote:

Absent from Meeting:

Clerk's Certificate

I, the undersigned, certify that I am Clerk of Council of the City of Fredericksburg, Virginia, and that the foregoing is a true copy of Resolution No. 20- duly adopted at a meeting of the City Council meeting held October 13, 2020 at which a quorum was present and voted.

Tonya B. Lacey, MMC
Clerk of Council



Application #SE: 2020-05
Date: 8-14-20
Fee/Check#: 3642, \$900
\$750.00 + \$150.00 Per Acre

APPLICATION SPECIAL EXCEPTION

APPLICANT
NAME:

Thomas Mitchell

MAILING ADDRESS:

1414B Caroline St Fredbg Va 22401

TELEPHONE:

5408471066

E-MAIL:

Tommy Mitchell 2217@gmail.com

THE UNDERSIGNED HEREBY APPLIES FOR AN EXCEPTION FOR:

Approval

of 24 unit alternative density mixed use project located at 100/106/108 Hanover St and 718 Sophia St.

THE SUBJECT PROPERTY IS DESCRIBED AS FOLLOWS:

Property

Location

100/106 + 108 Hanover St 718 Sophia St.

Property Owned By

Thomas Mitchell

Owner's Mailing Address

same as above

Proposed Use of Property (*be specific*)

28,500 square foot 4 story mixed use building with 24 residential units and 2755 square foot commercial space.

HOURS OF OPERATION

NUMBER OF EMPLOYEES

not sure

Anticipated Number of Patrons or Clients

Description of the development's impact on neighboring and adjacent properties, please be specific (attach additional sheet if necessary):

(Application Continued)

Criteria for a Special Exception: Use Separate Sheets for Explanations and be Specific and Thorough.

Whether the grant of the special exception is consistent with the City's Comprehensive Plan;

1. Whether the special exception is consistent with the goals, purposes and objectives of the City's zoning ordinance;
2. Whether there has been a sufficient period of time for investigation and community planning with respect to the application;
3. Whether the special exception is consistent with the principles of zoning and good zoning practice, including the purposes of the district in which the special exception would be located, existing and planned uses of surrounding land, the characteristics of the property involved, and the adverse impacts of the proposed use;
4. Whether the proposed use or aspect of the development requiring the special exception is special, extraordinary or unusual;
5. Whether the applicant has demonstrated that its application meets all these criteria;

I do hereby make oath or affirmation that to the best of my knowledge, the foregoing information contained in this application is true.

Thomas Mitchell
Signature of Applicant

August 14, 2020
Date

PRINT NAME OF APPLICANT Thomas Mitchell

The above oath or affirmation was signed before me and witnessed by me this 14th day of August, 2020 in the County / City of Fredericksburg in the state of Virginia.

Notary Signature Charity E. Orrell
Notary Registration # 330758 Commission Expires Nov 30, 2023

Thomas Mitchell
Signature of Owner

August 14, 2020
Date

PRINT NAME OF OWNER Thomas Mitchell

The above oath or affirmation was signed before me and witnessed by me this 14th day of August, 2020 in the County / City of Fredericksburg in the state of Virginia.

Notary Signature Charity E. Orrell
Notary Registration # 330758 Commission expires Nov 30, 2023

OWNERSHIP

Applicant is (Circle One):

Property Owner Agent of Owner Lessee Property Purchaser Other

If 'Other', describe:

Source of Property Title / Instrument #:

If Property is owned by a Limited Liability Corporation (LLC):

1. Attach a "Certificate of Fact of Existence" from the State Corporation Commission; and
2. List the names and titles with authority to sign on behalf of the LLC (add additional sheets if needed):

N/A

OR

If Property is owned by a Corporation (Inc.):

1. Attach a "Certificate of Good Standing" from the State Corporation Commission; and
2. List the names and titles with authority to sign on behalf of the corporation (add additional sheets if needed):

N/A

SIGN POSTING PROCEDURES

Instructions

It is the applicant's responsibility to ensure that the sign(s) remain on the project site for the required time and are maintained in good/legible condition until after the public hearing date.

Site Posting Procedure

Sign(s) shall be posted at least five (5) business days before the public hearing/meeting. The applicant shall complete a notarized affidavit stating the sign(s) shall be posted in accordance with these procedures. Within three (3) days of posting the sign the applicant shall provide a photograph of the posted sign to the Community Planning and Building Department. **Failure to submit a notarized affidavit and/or photograph of the posted sign may result in the removal of the application from the scheduled meeting agenda.**

Information required on the sign(s) shall be completed by a member of the planning staff and provided to the applicant for posting. Signs shall be removed within three (3) days of the public hearing/meeting. Sign(s) should **not** be returned to the Community Planning & Building Department.

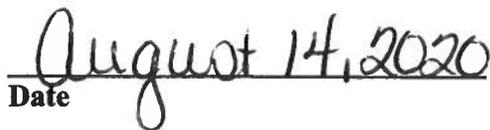
A minimum of one sign shall be placed along any adjacent arterial street. Signs should be posted every 600 feet when a street frontage adjacent to a project exceeds that distance. Sign(s) shall be placed parallel to the roadway.

Sign(s) shall be placed on the property in the most visible location available in such a manner that landscaping or other obstructions do not impair the visibility of the sign(s) from the street. The sign(s) shall not be placed on the public street right-of-way. The sign(s) should not be placed more than 10 feet behind the property line adjacent to the street.

The Community Planning and Building Department may vary any of the above guidelines where there are special circumstances in order to ensure that the sign(s) will be visible to the general public.

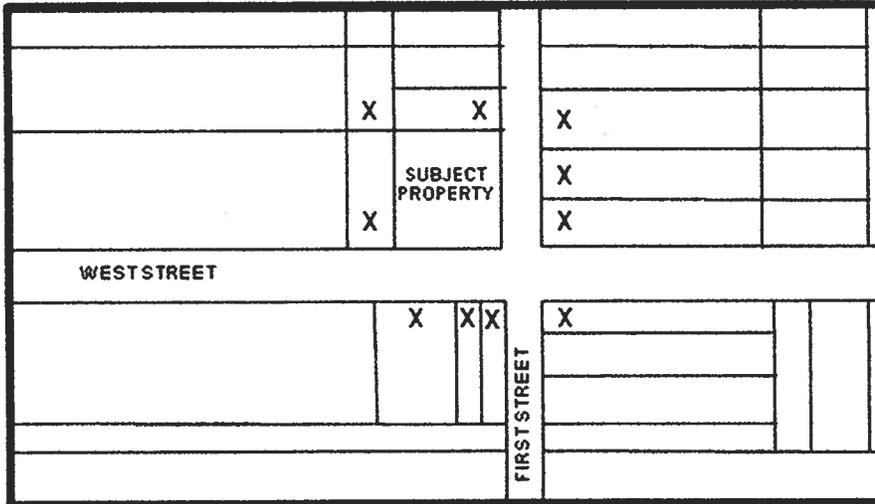
The undersigned acknowledges that he/she has read this procedure and understands how and where to post the required sign(s).


Applicant Signature


Date

EXAMPLE DIAGRAM OF ADJACENT PROPERTY OWNERS

X = Property owners to be notified



PROPERTY OWNERS LIST

106/108/100 Hanover Street 0 Sophia St (alley) 718 Sophia Street
PROPERTY ADDRESS *Fredericksburg Va 22401*

Adjacent property owner names and addresses can be obtained by visiting the City website at www.fredericksburgva.gov and following the link to GIS, or by visiting the Office of Real Estate at City Hall, 715 Princess Anne Street, Room 107.

Adjacent Property Owner's Name and Mailing Address

Property Address	801 SOPHIA ST	Notes:
Owner Name	SHILOH BAPTIST CHURCH OLD SITE	
Mailing Address	801 SOPHIA ST FREDERICKSBURG, VA 22401	
City, State, Zip	FREDERICKSBURG, VA 22401	

Property Address	800 SOPHIA ST & 101 HANOVER ST	Notes:
Owner Name	KO SANG GIL & SOOK KUN	
Mailing Address	5070 GALLAGER DR FREDERICKSBURG, VA 22407	
City, State, Zip	FREDERICKSBURG, VA 22401	

Property Address	717 CAROLINE ST	Notes:
Owner Name	WILKENING FORREST B & JEANETTE A	
Mailing Address	5059 MACNAMARA DR FREDERICKSBURG, VA 22407	
City, State, Zip	FREDERICKSBURG, VA 22401	

Property Address	723 CAROLINE ST	Notes:
Owner Name	SMITH THOMAS S & ANN R	
Mailing Address	1310 KENMORE AVE FREDERICKSBURG, VA 22401	
City, State, Zip	FREDERICKSBURG, VA 22401	

Property Address	717 & 719 SOPHIA ST	Notes:
Owner Name	CITY OF FREDERICKSBURG	
Mailing Address	PO BOX 7447 FREDERICKSBURG, VA 22404	
City, State, Zip	FREDERICKSBURG, VA 22401	

Property Address	713 SOPHIA ST	Notes:
Owner Name	CITY OF FREDERICKSBURG	
Mailing Address	PO BOX 7447 FREDERICKSBURG, VA 22404	
City, State, Zip	FREDERICKSBURG, VA 22401	

Property Address	801 CAROLINE ST & 115 HANOVER ST	Notes:
Owner Name	FALLKOS LLC	
Mailing Address	1206 WASHINGTON AVE FREDERICKSBURG, VA 22401	
City, State, Zip	FREDERICKSBURG, VA 22401	

Property Address	707 SOPHIA ST	Notes:
Owner Name	CITY OF FREDERICKSBURG	
Mailing Address	PO BOX 7447 FREDERICKSBURG, VA 22404	
City, State, Zip	FREDERICKSBURG, VA 22401	

Property Address	711 CAROLINE ST	Notes:
Owner Name	711 CAROLINE ST LLC	
Mailing Address	4300 PR WILLIAM PKWY WOODBRIDGE, VA 22192	
City, State, Zip	FREDERICKSBURG, VA 22401	

Property Address	715 CAROLINE ST	Notes:
Owner Name	715 CAROLINE ST LLC	
Mailing Address	614-B CAROLINE ST FREDERICKSBURG, VA 22401	
City, State, Zip	FREDERICKSBURG, VA 22401	

Property Address	719 & 721 CAROLINE ST	Notes:
Owner Name	MITCHELL THOMAS H	
Mailing Address	614-B CAROLINE ST FREDERICKSBURG, VA 22401	
City, State, Zip	FREDERICKSBURG, VA 22401	

Property Address	110 HANOVER ST	Notes:
Owner Name	MITCHELL THOMAS H	
Mailing Address	614-B CAROLINE ST FREDERICKSBURG, VA 22401	
City, State, Zip	FREDERICKSBURG, VA 22401	

ATTACH ADDITIONAL SHEETS IF NECESSARY



TO:

James Newman, AICP, CZO
Zoning Administrator
Planning Services Division
715 Princess Anne Street, Room 209
P.O. Box 7447
Fredericksburg, VA 22404

MEMORANDUM – SPECIAL EXCEPTION REVISION

Project: 100,106 ,108 Hanover Street
Memo Date: 8/17/20

Project No.: 2.200064.0

1. Please provide a write up of the differences between this application and previously approved plans, including the reasons why the changes are necessary.
 - a. The revisions are driven by changes in national and global economic conditions and impact on demand for new restaurant space. The primary change removes 10,313 SF of restaurant lease space from the second floor.
 - b.

	Previously Approved	Rev. Dwgs. Dated 6/18/20
Site Area	19,539 SF	No change
Parking Spaces	40 (on site)	28 (on site)
Gross SF	41,432 SF	28,566 SF
Commercial SF	13,068 SF (1 st and 2 nd Floor)	2,755 SF (1 st Floor only)
Apartments	24 (eighteen 1 br, six 2br) including four units designated affordable (50% AMI)	24 (fourteen 1 br, seven 2br, 3 studio) including four units designated affordable (50% AMI)
Building Height	48'-4" (avg. grade plane to avg. roof slope)	44'-0" (avg. grade plane to avg. roof slope)

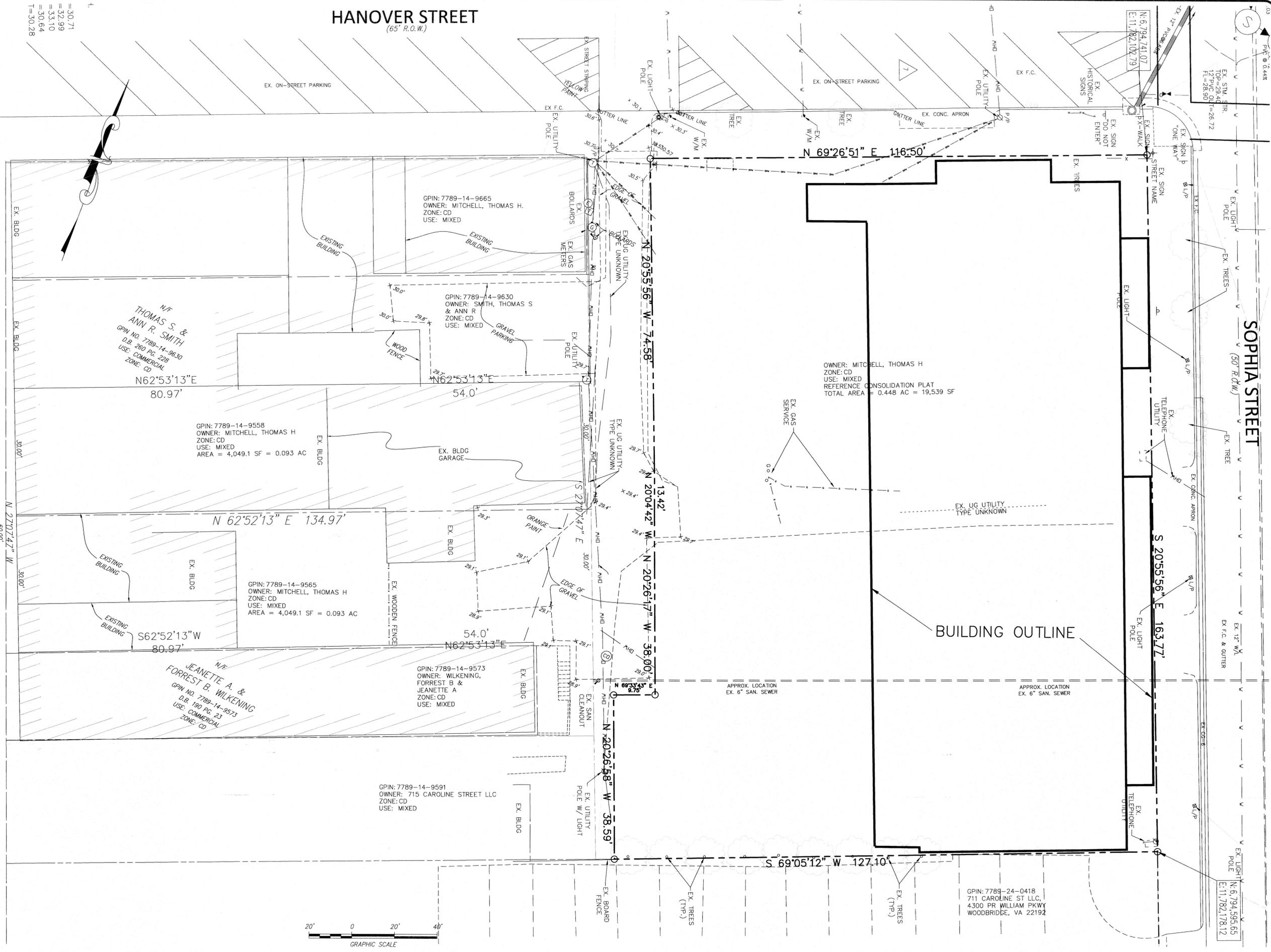
2. Please include information on the total number of residential tenants you anticipate having, as well as the potential number of employees for the commercial space.
 - a. Residential tenants (based on # of bedrooms) = 31

- b. Potential no. of employees for commercial space = 3
- 3. Please provide information on how this modification is consistent with the City's Comprehensive Plan, meets the goals, purposes, and standards of the City's Ordinance, and the potential impact the revised plan will have on surrounding properties.
 - a. The revised design maintains the same approach to the 2015 comp plan goals and standards of the City Ordinance and will remain in substantial compliance with the special exception dated Feb. 26, 2019. The new project excludes the restaurant space on the second floor.

Distribution: City of Fredericksburg Planning Division, Thomas Mitchell, file

HANOVER STREET
(65' R.O.W.)

SOPHIA STREET
(50' R.O.W.)

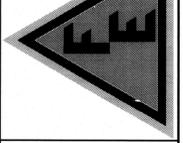


1.
= 30.71
= 32.99
= 33.10
= 30.64
T = 30.28



REVISION	DATE	REVISED PER CITY COMMENTS
	07/29/2019	

Freeland Engineering, PC
 10814 Courthouse Road
 Fredericksburg, Virginia 22408
 Phone: 540.898.3092
 Fax: 877.658.7735

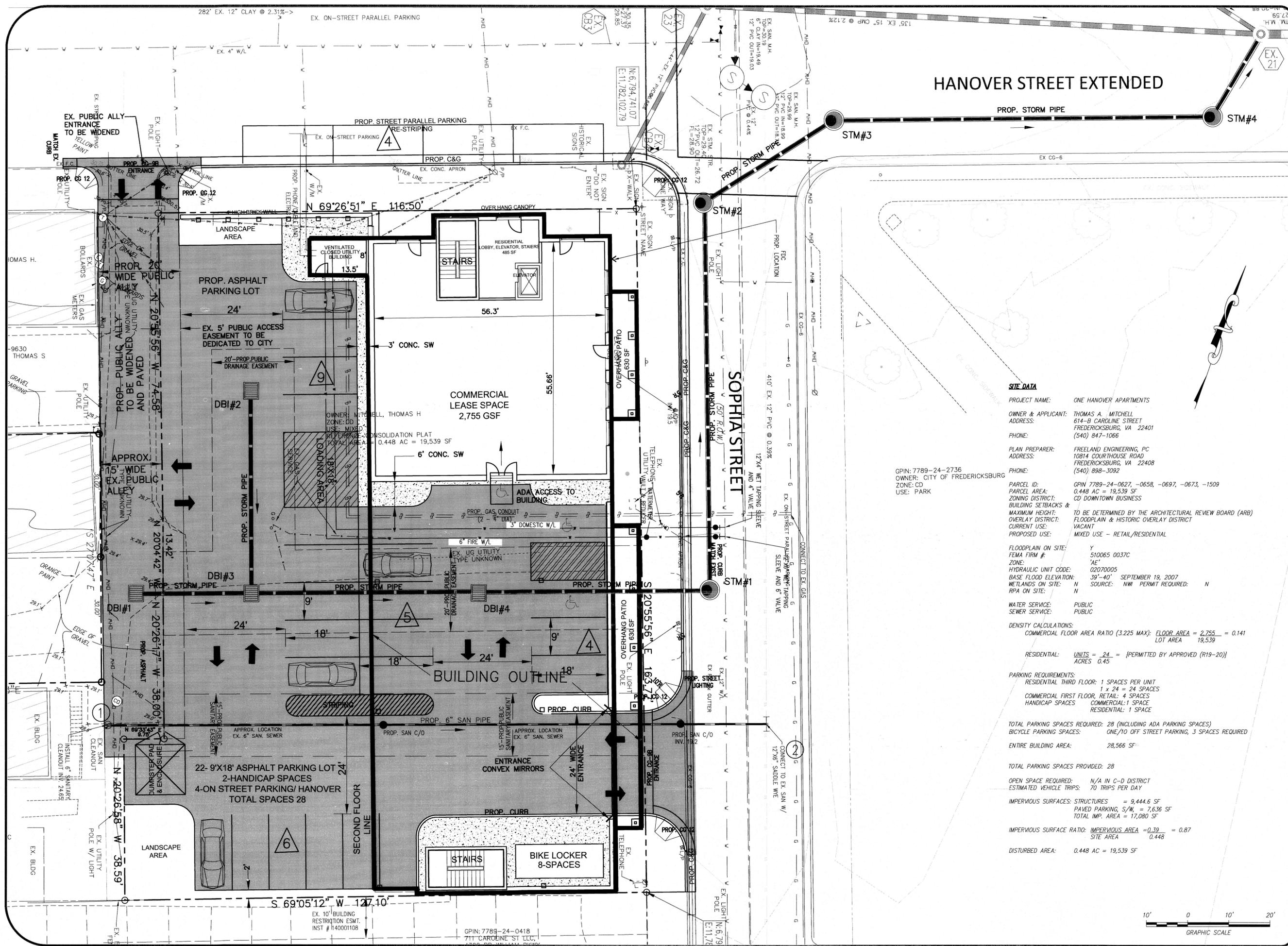


BOUNDARY SURVEY
ONE HANOVER APARTMENTS
 CITY OF FREDERICKSBURG
 VIRGINIA

RECEIVED
 SEP 03 2020
 CITY OF FREDERICKSBURG
 PLANNING SERVICES DIVISION

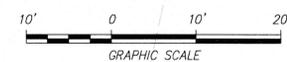
COMMONWEALTH OF VIRGINIA
 RAYMOND P. FREELAND
 Lic. No. 040752
 08/27/2020
 PROFESSIONAL ENGINEER
 SEAL

County Plan Number:
 SPMAJ2019-09
 Drawn By: SAR
 Designed By: SAR
 Checked By: RPF
 Date: 08/27/2020
 Scale: 1"=20'
 Sheet: 1 of 3
 PROJECT # 4464



SITE DATA

PROJECT NAME: ONE HANOVER APARTMENTS
 OWNER & APPLICANT: THOMAS A. MITCHELL
 ADDRESS: 614-B CAROLINE STREET, FREDERICKSBURG, VA 22401
 PHONE: (540) 847-1066
 PLAN PREPARER: FRELAND ENGINEERING, PC
 ADDRESS: 10814 COURTHOUSE ROAD, FREDERICKSBURG, VA 22408
 PHONE: (540) 898-3092
 PARCEL ID: 7789-24-0627, -0658, -0697, -0673, -1509
 PARCEL AREA: 0.448 AC = 19,539 SF
 ZONING DISTRICT: CD DOWNTOWN BUSINESS
 BUILDING SETBACKS & MAXIMUM HEIGHT: TO BE DETERMINED BY THE ARCHITECTURAL REVIEW BOARD (ARB)
 OVERLAY DISTRICT: FLOODPLAIN & HISTORIC OVERLAY DISTRICT
 CURRENT USE: VACANT
 PROPOSED USE: MIXED USE - RETAIL/RESIDENTIAL
 FLOODPLAIN ON SITE: Y
 FEMA FIRM #: 510065 0037C
 ZONE: 'AE'
 HYDRAULIC UNIT CODE: 02070005
 BASE FLOOD ELEVATION: 39'-40" SEPTEMBER 19, 2007
 WETLANDS ON SITE: N SOURCE: NW PERMIT REQUIRED: N
 RPA ON SITE: N
 WATER SERVICE: PUBLIC
 SEWER SERVICE: PUBLIC
 DENSITY CALCULATIONS:
 COMMERCIAL FLOOR AREA RATIO (3.225 MAX): FLOOR AREA = 2,755 = 0.141
 LOT AREA 19,539
 RESIDENTIAL: UNITS = 24 = [PERMITTED BY APPROVED (R19-20)]
 ACRES 0.45
 PARKING REQUIREMENTS:
 RESIDENTIAL THIRD FLOOR: 1 SPACES PER UNIT
 1 x 24 = 24 SPACES
 COMMERCIAL FIRST FLOOR: RETAIL: 4 SPACES
 COMMERCIAL: 1 SPACE
 RESIDENTIAL: 1 SPACE
 TOTAL PARKING SPACES REQUIRED: 28 (INCLUDING ADA PARKING SPACES)
 BICYCLE PARKING SPACES: ONE/10 OFF STREET PARKING, 3 SPACES REQUIRED
 ENTIRE BUILDING AREA: 28,566 SF
 TOTAL PARKING SPACES PROVIDED: 28
 OPEN SPACE REQUIRED: N/A IN C-D DISTRICT
 ESTIMATED VEHICLE TRIPS: 70 TRIPS PER DAY
 IMPERVIOUS SURFACES: STRUCTURES = 9,444.6 SF
 PAVED PARKING, S/W, = 7,636 SF
 TOTAL IMP. AREA = 17,080 SF
 IMPERVIOUS SURFACE RATIO: IMPERVIOUS AREA = 0.39 = 0.87
 SITE AREA 0.448
 DISTURBED AREA: 0.448 AC = 19,539 SF



REVISION

DATE	REVISION
07/29/2019	REVISED PER CITY COMMENTS
11/25/2019	REVISED PER CITY COMMENTS

DATE 07/29/2019

PROJECT ONE HANOVER APARTMENTS

OWNER THOMAS A. MITCHELL

ADDRESS 10814 COURTHOUSE ROAD, FREDERICKSBURG, VA 22408

PHONE 540.898.3092

FAX 877.658.7735

PROJECT # 4464

PLAN PREPARER FRELAND ENGINEERING, PC

ADDRESS 10814 COURTHOUSE ROAD, FREDERICKSBURG, VA 22408

PHONE (540) 898-3092

WEBSITE www.FreelandEngineering.com

PROJECT # 4464

SCALE 1"=10'

SHEET 2 of 3

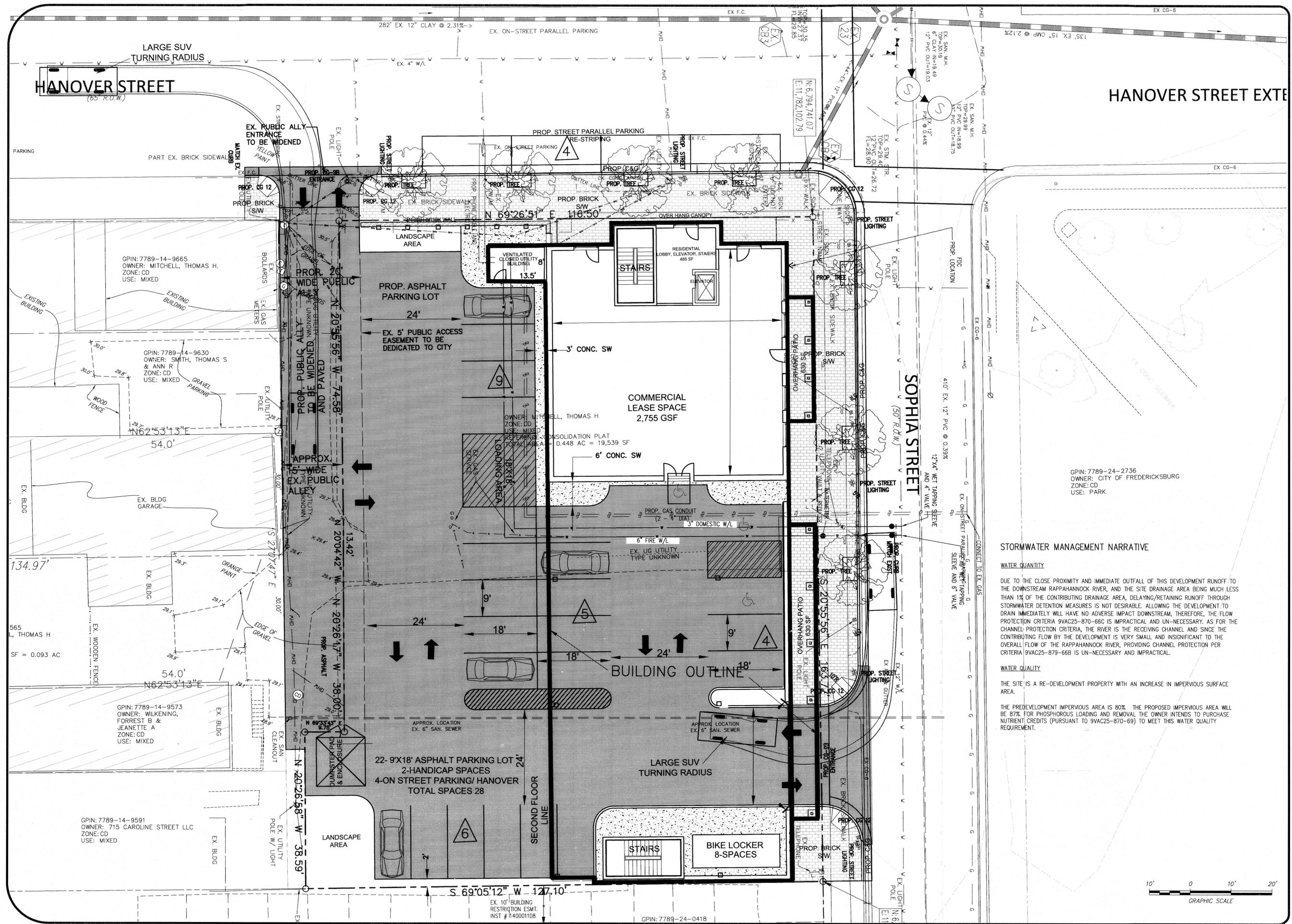
PROFESSIONAL ENGINEER

RAYMOND P. FRELAND
 Lic. No. 040752
 08/26/2020

CITY OF FREDERICKSBURG, VIRGINIA

SITE LAYOUT

ONE HANOVER APARTMENTS



STORMWATER MANAGEMENT NARRATIVE

WATER QUANTITY
 DUE TO THE CLOSE PROXIMITY AND IMMEDIATE OUTFALL OF THIS DEVELOPMENT RUNOFF TO THE DOWNSTREAM RAPPAHANNOCK RIVER, AND THE SITE DRAINAGE AREA BEING MUCH LESS THAN 1% OF THE CONTRIBUTING DRAINAGE AREA, DELAYING/RETAINING RUNOFF THROUGH STORMWATER DETENTION MEASURES IS NOT DESIRABLE. ALLOWING THE DEVELOPMENT TO DRAIN IMMEDIATELY WILL HAVE NO ADVERSE IMPACT DOWNSTREAM, THEREFORE, THE FLOW PROTECTION CRITERIA 9VAC25-870-66C IS IMPRACTICAL AND UN-NECESSARY. AS FOR THE CHANNEL PROTECTION CRITERIA, THE RIVER IS THE RECEIVING CHANNEL AND SINCE THE CONTRIBUTING FLOW BY THE DEVELOPMENT IS VERY SMALL AND INSIGNIFICANT TO THE OVERALL FLOW OF THE RAPPAHANNOCK RIVER, PROVIDING CHANNEL PROTECTION PER CRITERIA 9VAC25-879-66B IS UN-NECESSARY AND IMPRACTICAL.

WATER QUALITY
 THE SITE IS A RE-DEVELOPMENT PROPERTY WITH AN INCREASE IN IMPERVIOUS SURFACE AREA. THE PREDEVELOPMENT IMPERVIOUS AREA IS 80%. THE PROPOSED IMPERVIOUS AREA WILL BE 87%. FOR PHOSPHOROUS LOADING AND REMOVAL THE OWNER INTENDS TO PURCHASE NUTRIENT CREDITS (PURSUANT TO 9VAC25-870-69) TO MEET THIS WATER QUALITY REQUIREMENT.



DATE	REVISION	REVISED PER CITY COMMENTS
07/29/2019		
11/25/2019		

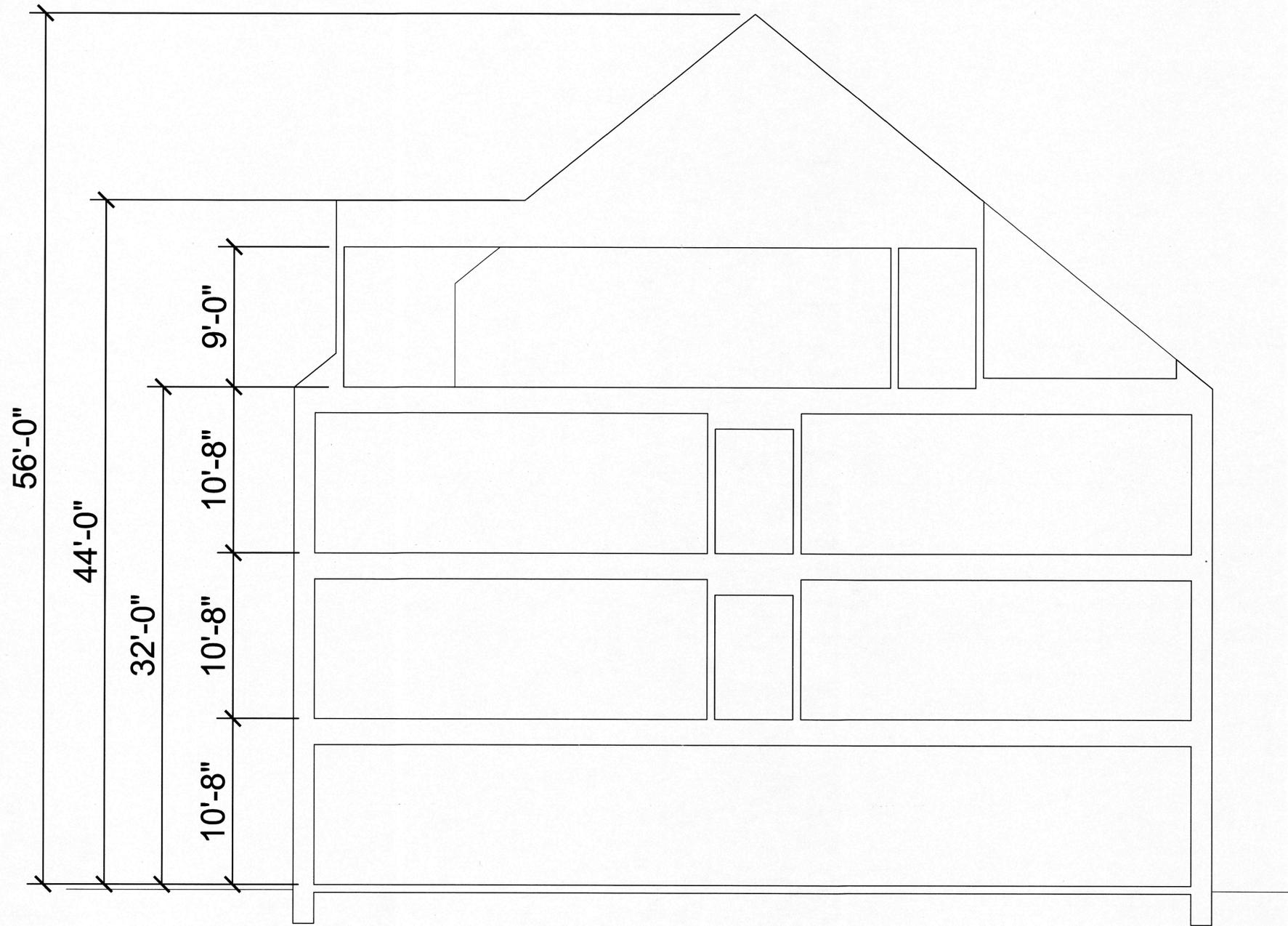
Freeland Engineering, PC
 10814 Courthouse Road
 Fredericksburg, Virginia 22408
 Phone: 540.898.3092
 Fax: 877.658.7735
 www.freelandengineering.com



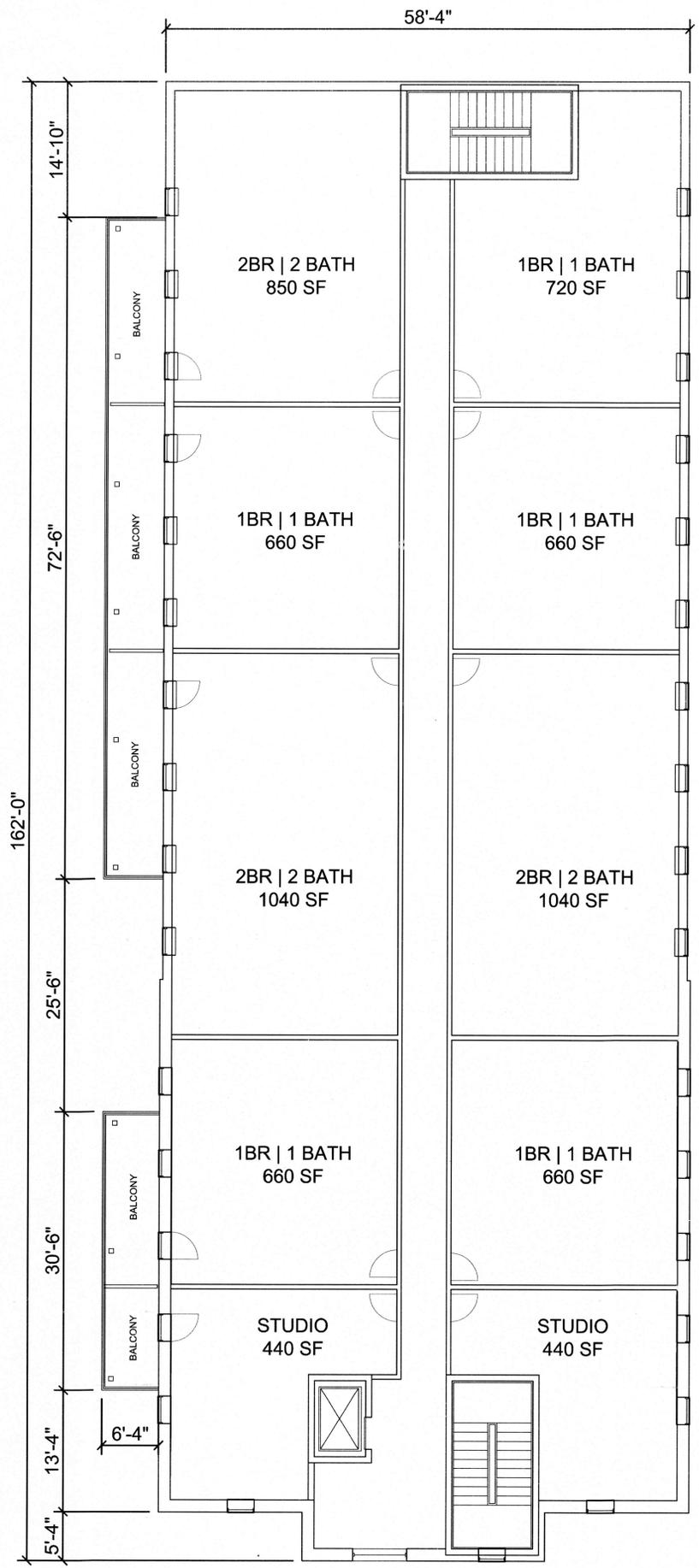
TRAFFIC FLOW, LANDSCAPING & SWM NARRATIVE
ONE HANOVER APARTMENTS
 CITY OF FREDERICKSBURG
 VIRGINIA



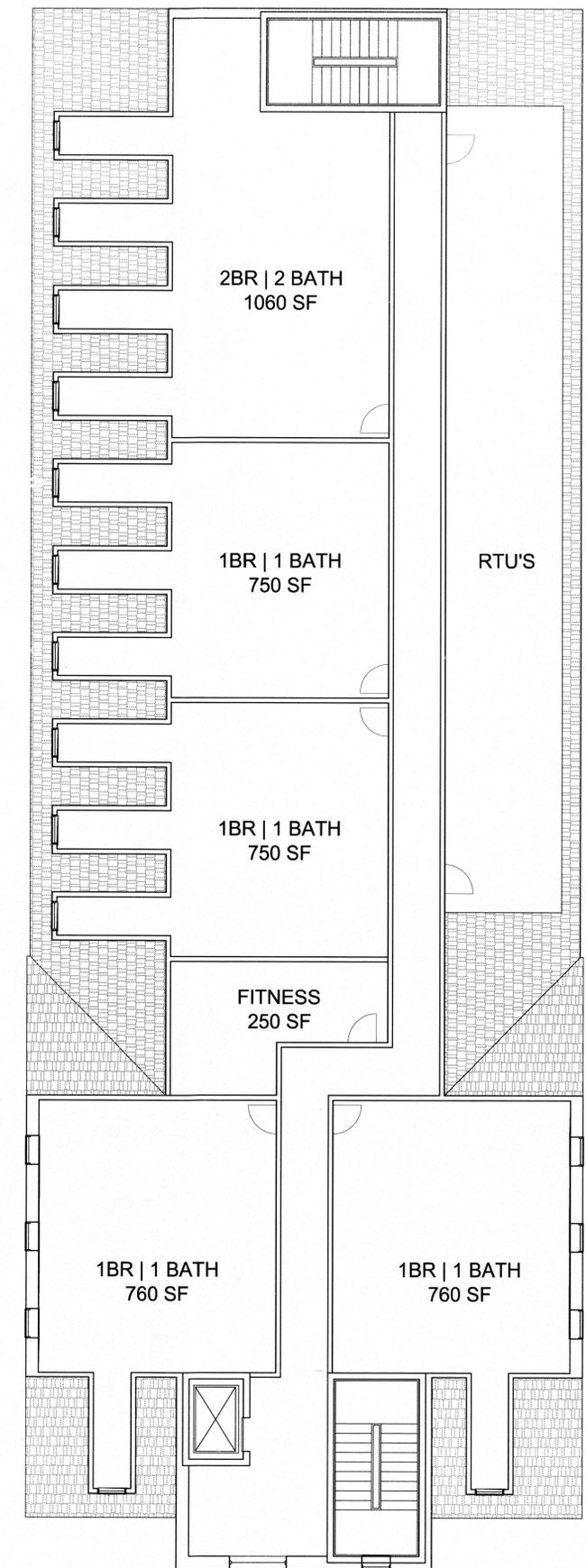
SEAL
 County Plan Number: SPMAJ2019-09
 Drawn By: SAR
 Designed By: SAR
 Checked By: RPF
 Date: 08/26/2020
 Scale: 1"=10'
 Sheet: 3 of 3
 PROJECT #4464



SECTION



THIRD FLOOR
9,330 GSF



FOURTH FLOOR
6,320 GSF



MEMORANDUM

TO: Timothy J. Baroody, City Manager
FROM: James Newman, Zoning Administrator
DATE: October 5th, 2020 for the October 13th, 2020 Council Meeting
RE: **SE 2020-04: Haven for Heroes Inc.** requests a Special Exception from City Code §72-40.2, Use Table, to permit a duplex at 315/317 McKinney Street/GPIN 7788-18-9981.

ISSUE

Proposed special exception request is to permit a former duplex to be renovated into a duplex.



PROPOSED SPECIAL EXCEPTION REQUEST

The applicant seeks an exception to Code §72-40.2, Use Table, which does not list 'Dwelling, Duplex' as an allowed use. Granting this Special Exception would permit a duplex at 315/317 McKinney Street/GPIN 7788-18-9981.

RECOMMENDATION

Approve the Special Exception subject to the following conditions:

1. Prior to occupancy the three lots must be consolidated to make the structure conform to the Unified Development Ordinance;
2. The use shall commence within 24 months of the date of adoption of this resolution. The use is permitted only so long as it continues and is not discontinued for more than 24 months.

GENERAL BACKGROUND

The applicant wishes to renovate a dilapidated duplex to make it habitable. The property is zoned R4, and a duplex is not a permitted use in the R4 Zoning District. The use is **not** legally non-conforming as the structure has not been inhabited for over two years.

City Code §72-82.4 defines a “**Dwelling, Duplex**” as

A single-family dwelling unit attached to one other single-family dwelling unit by a common vertical wall. Each dwelling unit may be located on its own lot, or both may be located on a single lot.

The structure is a duplex. The house dates to 1949, is 1,426 sq. ft. in area, and is one story with a basement below. The structure is split down the middle, with two separate entrances for each unit. The applicant proposes to remodel the building and split the units horizontally, with one unit in the basement and the other unit on the main floor. Each unit would have its own utility hookup.

The applicant is ‘Haven For Heros’. It works to provide affordable housing for veterans and their families. The applicant proposes to use this duplex for affordable housing for low income veterans.

While the applicant has chosen to pursue this special exception as a way to provide affordable housing, approval should be granted regardless. The property was historically used as a duplex. There are eight duplexes in the surrounding neighborhood and they serve as a source of naturally occurring affordable housing. The approval of the exception would maintain the historic variety of missing-middle housing options available in the neighborhood and approval would lead to the renovation of a visually blighted structure. Should the property owner desire to make this housing opportunity available for veterans exiting homelessness, it is recommended that he connect with the Fredericksburg Regional Continuum of Care’s [Stable Homes Partnership](#).

CITY COUNCIL

Council held a public hearing on September 22nd. There were no public comments. There were no questions for the applicant. Council inquired about the nature of Haven for Heroes and how it operates.

PLANNING COMMISSION

The Planning Commission heard this item at their public hearing on September 9, 2020. There was one public comment at the meeting, from a citizen who wanted assurances that the future tenants for the duplex would not be a nuisance.

The applicant explained that tenants for their program must meet Haven for Hero’s financial hardship criteria, and that their main focus as an organization is providing housing for veterans that qualify under Federal Housing and Urban Development (HUD) guidelines for low and very low income standards, those who are recently unemployed and in poverty, and those suffering from extreme hardships. The focus is on providing housing for low income veterans, not persons suffering from substance abuse, mental health issues, or other hardship factors.

The Commission asked if any blight abatement actions had been taken by the City. Per the Property Maintenance Official, the property owner and applicant have worked with the City to abate violations before they rise to a level where the City is required to take action.

The Commission asked if the Dept. of Veterans Affairs (VA) would do a livability check on the property prior to occupancy by tenants. The applicant stated that such a check would be performed.

The Planning Commission discussed the need for a condition to provide affordable housing. Such a condition would hold the developer to their promise to provide affordable housing, but would run with the land and potentially burden future owners of the property.

The Commission voted on September 17 6-0 (1 absent) to recommend **approval** subject to conditions.

SPECIAL EXCEPTION ANALYSIS

Unified Development Ordinance (UDO) §72-22.7 contains review criteria that the Planning Commission and City Council shall use when evaluating an application for a Special Exception. These criteria are:

1. Consistency with the Unified Development Ordinance

The purpose of the Residential-4 (R4) Zoning District is:

“established to provide for single-family detached dwellings in both developed and undeveloped areas of the City at densities of up to four units per acre. The district also allows selected uses which are compatible with the medium density residential character of the district and to implement the stated purposes and intent of the Comprehensive Plan. Cluster-style development configured in accordance with the standards in § 72-51.4, Cluster subdivisions, is permitted.”

The applicant seeks to rehabilitate a vacant duplex to make it habitable. The property is composed of three lots, which could result in 3 new units with a density of 17 units per acre. Renovating the existing duplex would result in a density of 11 units per acre. As a condition of approval, the lots should be combined to bring the property more into conformance with City Code requirements. Consolidating the lots would maintain the two units while reducing the overall density of the lot to the existing 11 units an acre.

2. Conformance with the Comprehensive Plan

The property lies within Land Use Planning Area 8: Dixon Street/Mayfield. The Future Land Use map identifies this area as Low Density Residential. This category states: *“Residential development at four units per acre is generally a conventional subdivision. Some parts of the City are zoned for two units per acre, but these districts are typically rezoned to a higher density so that can be developed in a manner more appropriate to an urban location. Where the land has historic resources and/or attractive natural features, the City encourages innovative layouts and clustering, to retain attractive open space and to protect sensitive lands.”*

The requested special exceptions and associated development are in accordance with goals of the Comprehensive Plan:

Environmental Protection Goals – pg. 1-8

Goal 6. Livability

“Strengthen existing policies and develop new ones to actively promote a sustainable future by promoting clustered and compact development, which would be balanced by additional open space, and redevelopment of land and repurposing of structures”.

Residential Neighborhoods – pg. 1-10

Goal 1. Neighborhood Character

“Preserve the character of the City’s neighborhoods, by respecting and maintaining their functional design (sidewalks, alleys, street trees, etc.)”

Goal 2. Neighborhood Quality

“Enhance the quality of the City’s residential areas, to promote livability and a sense of community. Livability is defined as safe and walkable, with a variety of housing choices and ready access (walking, biking, transit, automobile) to work, shopping, and services.”

Goal 7. Affordable Housing

“All persons who live and work in Fredericksburg should have the opportunity to rent or purchase safe, decent, and accessible housing within their means.”

Goal 8. Variety of Housing

“Provide a variety of housing opportunities throughout the City that respect the character of the community.”

3. *Whether there has been a sufficient period of time for investigation and community planning with respect to the application.*

The Technical Review Committee has completed its review. If approved, work would be required to be performed in accordance with all Building Code requirements, which requires that there must be a complete 1-hour fire separation between units and all supporting construction of the 1-hour horizontal fire separation assembly must be equally fire rated. Egress from the basement unit is possible via the rear door at the basement ground level and via the windows, which meet current Building Code requirements to be emergency egress points.

4. *Whether the special exception is consistent with the principles of good zoning practice, including the purposes of the district in which the special exception would be located, existing and planned uses of surrounding land, and the characteristics of the property involved.*

Section 72-12 of the UDO states that *“The City Council has adopted this chapter to promote the health, safety, convenience, and general welfare of the public, to plan for the future development of the community, and to accomplish the objectives of the Code of Virginia and the City of Fredericksburg Comprehensive Plan”*. As stated in that Code Section, zoning is intended to be a tool that provides for, amongst other things:

- A. *...Adequate light, air, convenience of access, and safety from fire, flood, impounding structural failure, crime, and other dangers;*
- C. *To facilitate the creation of a convenient, attractive, and harmonious community;*
- G. *To encourage economic development that provides desirable employment, including high wage jobs, and enlarge the tax base;*
- J. *To implement the Fredericksburg Comprehensive Plan and any special area plan adopted by the City;*

The property is not located within a floodplain or floodway. Approval will allow for the rehabilitation of a vacant, dilapidated structure, and provide housing choice.

5. *Whether the proposed use or aspect of the development requiring the special exception is special, extraordinary or unusual.*

The property was developed as duplex in 1949. It was inhabited until 2013. The applicant proposes to restore the structure to its historic use.

6. *Whether the proposed exception potentially results in any adverse impacts on the surrounding neighborhood, or the community in general; and if so, whether there are any reasonable conditions of approval that would satisfactorily mitigate such impacts.*

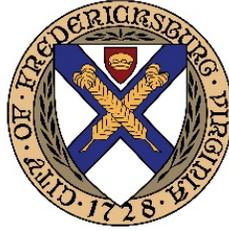
The current structure is vacant and blighted, having a negative impact on the safety and welfare of the community. Approval would permit a duplex built to current Building Code requirements, and would eliminate blight. There are eight other duplexes in the neighborhood; approval would not lead to a standalone situation. Rehabilitant the structure would keep the number of dwelling units that already exist on site. If the structure was torn down, three dwelling units could be placed on the property.

CONCLUSION

This is a proposal for a special exception to reestablish a duplex use in a structure originally designed and built for that purpose. The use is compatible with the surrounding neighborhood and meets the goals of the Comprehensive Plan. The Planning Commission voted to recommend **approval** to City Council.

ATTACHMENTS

1. Resolution
2. Application



September 22, 2020
Regular Meeting
Resolution 20-__

MOTION:

SECOND:

**RE: Granting a Special Exception to Permit a Duplex Dwelling at 315/317
 McKinney Street**

ACTION: APPROVED: Ayes: 0; Nays: 0

Haven for Heros, Inc. has applied for a special exception to permit a duplex dwelling at 315/317 McKinney Street, GPIN #7788-18-9981. The property is situated at the intersection of McKinney Street and King Street in the Mayfield neighborhood, and it is zoned R-4 Residential.

The proposed special exception would permit the applicant to renovate an existing dilapidated structure, which was historically used as a duplex, into a duplex configuration. The primary structure is a 1,426 square-foot one-story duplex with a basement. It is currently split by a vertical wall through the center of the structure, with two separate entrances on the main floor, one for each unit. The proposed renovation would split the units horizontally, with one unit in the basement and the other on the main floor.

The R4 zoning district does not permit a duplex dwelling as a permitted use. However, this particular neighborhood features a variety of housing types, including duplexes, and the proposed renovation would rehabilitate a visually blighted structure and restore the property to its historic use.

Therefore, the City Council hereby resolves that:

- Council has reviewed and considered the following criteria with respect to the special exception applications: (a) whether the grant of the special exceptions is consistent with the City's Comprehensive Plan; (b) whether the special exceptions are consistent with the goals, purposes and objectives of the City's zoning ordinance; (c) whether there has been a sufficient period of time for investigation and community planning with respect to the applications; (d) whether the special exceptions are consistent with the principles of zoning and good zoning practice, including the purposes of the district in which the special exception would be located, existing and planned uses of surrounding land, the characteristics of the property involved, and the adverse impacts of the proposed use; and (e) whether the proposed use or aspect of the development requiring the special exceptions is special, extraordinary or unusual.
- Pursuant to Section 72.22.7 of the City of Fredericksburg Uniform Development Ordinance, Council hereby grants a special exception for 315/317 McKinney Street from Fredericksburg City Code Section 72-40.2, to permit a duplex in the R4 Zoning District.
- The special exception is subject to the following conditions:
 1. Prior to occupancy, the three existing lots shall be consolidated to make the structure conform to the Unified Development Ordinance.

2. The use shall commence within 24 months of the date of adoption of this resolution. The use is permitted only so long as it continues and is not discontinued for more than 24 months.

Votes:

Ayes:

Nays:

Absent from Vote:

Absent from Meeting:

Clerk's Certificate

I certify that I am Clerk of Council of the City of Fredericksburg, Virginia, and that the foregoing is a true copy of Resolution No. 20- , adopted at a meeting of the City Council held _____, 2020, at which a quorum was present and voted.

Tonya B. Lacey, MMC
Clerk of Council



Application #SE: 2020-04
Date: 7.1.20
Fee/Check#: CX 1016 \$900
\$750.00 + \$150.00 Per Acre

APPLICATION SPECIAL EXCEPTION

APPLICANT

NAME: Haven For Heros INC (Barzel Mckinney)

MAILING ADDRESS: 2217 Princess Anne St, Suite 106-1L, Fredericksburg, VA 22401

TELEPHONE: 540-479-1044 E-MAIL: barzel@haven4heros.org

THE UNDERSIGNED HEREBY APPLIES FOR AN EXCEPTION FOR: Duplex use in the R4 zoning district.

THE SUBJECT PROPERTY IS DESCRIBED AS FOLLOWS:

Property Location 315/317 Mckinney St, Fredericksburg, VA 22401

Property Owned By Bobby L. Smith

Owner's Mailing Address 616 Spottswood, St, Fredericksburg, VA 22401

Proposed Use of Property (*be specific*) To be renovated and used as a modern duplex for the purpose of providing affordable housing for low income veterans and their families.

HOURS OF OPERATION N/A NUMBER OF EMPLOYEES N/A

Anticipated Number of Patrons or Clients 8

Description of the development's impact on neighboring and adjacent properties, please be specific (attach additional sheet if necessary): The neighboring and adjacent properties would benefit from the upgrade of having a blighted eye soar of a property enhance the community and increase other property values. this request would be consisent with the Cities comprehensive plan to increase affordable housing units and to help our fellow veterans. The home is currently a duplex and was previously zoned in R4, the current footprint would not change. This exception in consistent with the principles f zoning and good zoning practice.

(Application Continued)

Criteria for a Special Exception: Use Separate Sheets for Explanations and be Specific and Thorough.

Whether the grant of the special exception is consistent with the City's Comprehensive Plan;

1. Whether the special exception is consistent with the goals, purposes and objectives of the City's zoning ordinance;
2. Whether there has been a sufficient period of time for investigation and community planning with respect to the application;
3. Whether the special exception is consistent with the principles of zoning and good zoning practice, including the purposes of the district in which the special exception would be located, existing and planned uses of surrounding land, the characteristics of the property involved, and the adverse impacts of the proposed use;
4. Whether the proposed use or aspect of the development requiring the special exception is special, extraordinary or unusual;
5. Whether the applicant has demonstrated that its application meets all these criteria;

I do hereby make oath or affirmation that to the best of my knowledge, the foregoing information contained in this application is true.

Barzel b. McKinney
Signature of Applicant

06/22/2020
Date

PRINT NAME OF APPLICANT Barzel b. McKinney, President of Haven For Heros Inc

The above oath or affirmation was signed before me and witnessed by me this 22nd day of JUNE, 2020 in the County/City of Fredericksburg in the state of Virginia.

Notary Signature *Rebecca Jane Easterling*

Notary Registration # 7546298 Commission Expires 08/31/2021

Bobbie L. Smith, Sr.
Signature of Owner Date

PRINT NAME OF OWNER Bobbie L. Smith, Sr.

The above oath or affirmation was signed before me and witnessed by me this 22nd day of JUNE, 2020 in the County/City of Fredericksburg in the state of Virginia.

Notary Signature *Rebecca Jane Easterling*

Notary Registration # 7546298 Commission expires 08/31/2021

REBECCA JANE EASTERLING
NOTARY PUBLIC
REG. #7546298
COMMONWEALTH OF VIRGINIA
MY COMMISSION EXPIRES AUG. 31, 2021

REBECCA JANE EASTERLING
NOTARY PUBLIC
REG. #7546298
COMMONWEALTH OF VIRGINIA
MY COMMISSION EXPIRES AUG. 31, 2021

OWNERSHIP

Applicant is (Circle One):

Property Owner

Agent of Owner

Lessee

Property Purchaser

Other

If 'Other', describe:

Source of Property Title / Instrument #:

If Property is owned by a Limited Liability Corporation (LLC):

1. Attach a "Certificate of Fact of Existence" from the State Corporation Commission; and
2. List the names and titles with authority to sign on behalf of the LLC (add additional sheets if needed):

N/A

OR

If Property is owned by a Corporation (Inc.):

1. Attach a "Certificate of Good Standing" from the State Corporation Commission; and
2. List the names and titles with authority to sign on behalf of the corporation (add additional sheets if needed):

N/A

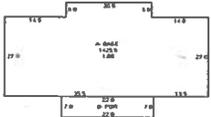
Fredericksburg, Virginia

GPIN
7788-18-9981

Property Address
315 MCKINNEY ST

Record #
3307

General

Owner's Name:	SMITH BOBBIE L	Site Information		 
Mailing Address:	616 SPOTTSWOOD ST FREDERICKSBURG, VA 22401	Acres:	0.00000000	
Description:	LTS 56-58 BL 178-38-L56	Zoning :	R4	
	315 317 MCKINNEY ST	Terrain Type:	On	
		Terrain Character:	Open	
		Right of Way:	Public	
		Easements:	Paved	
		Other Description:	LOT: 75 X 105	

Details

Size in Sq. Ft.:	1,426		
Value:	\$77,400.00		
Exterior Information		Interior Information	
Year Built:	1949	# of Rooms:	8
Occupancy:	Dwelling	# of Bedrooms:	4
Foundation:	Concrete	Full Bathrooms:	2
# of Stories:	1.0	Half Bathrooms:	0
Ext. Walls:	Brick	Floors:	Wood, Carpet
Roofing:	Comp Shg	Fireplaces:	0
Roof Type:	Hip	Stacked Fireplaces:	0
Garage:	None	Flues:	0
Garage - # Of Cars:	0	Metal Flues:	0
Built-In Garage - # Of Cars:	0	Stacked Flues:	0
Carpport:	None	Inoperable Flues/Fireplaces:	0
Carpport - # Of Cars:	0	Gas Log Fireplaces:	0
		Total SqFt:	1,426
		Basement Type:	Full
		Basement SqFT:	0
		Finished Basement SqFt:	0
		Interior Walls:	Plaster
		Heating:	Forced Air
		A/C:	No
		Utilities	
		Water:	Public
		Sewer:	Public
		Electric:	Yes
		Gas:	Yes
		Fuel Type:	Gas

Assessments

Improvements Details				Assessment Year:	2016	
				Building Value:	\$14,912	
				Total Other Improvements:	\$0	
				Total Land Value:	\$62,500	
				Rounded Taxable Value:	\$77,400	
				Percent Complete:		
				Assessment Neighbourhood:	3 - MAYFIELD RESIDENTIAL	
Total Other Improvements Value:						
\$						
Description	Size in Acres	Lump Sum/Per Acres	Unit Value	Adj	Utility Value	Acreage Value
Other		Lump Sum	\$62,500	.00%	0	62,500
Total Value:						
\$77,412						

Ownership

Current Ownership Details							
Name	Sale Date	Sale Price	Instrument	Plat Book/Page	Deed Book/Page	Will Book/Page	Grantor
SMITH BOBBIE L	1/1/1979	\$17,500.00			171 / 657		
Previous Ownership Details							
Name	Sale Date	Sale Price	Instrument	Deed Book/Page	Will Book/Page	Grantor	

Assessments

Improvements Details				Assessment Year:	2016	
				Building Value:	\$14,912	
				Total Other Improvements:	\$0	
				Total Land Value:	\$62,500	
				Rounded Taxable Value:	\$77,400	
				Percent Complete:		
				Assessment Neighbourhood:	3 - MAYFIELD RESIDENTIAL	
Total Other Improvements Value:						
S						
Description	Size in Acres	Lump Sum/Per Acres	Unit Value	Adj	Utility Value	Acreage Value
Other		Lump Sum	\$62,500	.00%	0	62,500
Total Value:						
\$77,412						

Ownership

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Name	Sale Date	Sale Price	Instrument	Plat Book/Page	Deed Book/Page	Will Book/Page	Grantor
SMITH BOBBIE L	1/1/1979	\$17,500.00			171 / 657		
Previous Ownership Details							
Name	Sale Date	Sale Price	Instrument	Deed Book/Page	Will Book/Page	Grantor	

Fredericksburg, Virginia

GPIN
7788-18-9981

Property Address
315 MCKINNEY ST

Record #
3307

General

Owner's Name:	SMITH BOBBIE L	Site Information	
Mailing Address:	616 SPOTTSWOOD ST FREDERICKSBURG, VA 22401	Acres:	0.00000000
Description:	LTS 56-58 BL 178-38-L56	Zoning :	R4
	315 317 MCKINNEY ST	Terrain Type:	On
		Terrain Character:	Open
		Right of Way:	Public
		Easements:	Paved
		Other Description:	LOT: 75 X 105



Details

Size in Sq. Ft.:	1,426		
Value:	\$77,400.00		
Exterior Information	Interior Information	Total SqFt: 1,426	Utilities
Year Built: 1949	# of Rooms: 8	Basement Type: Full	Water: Public
Occupancy: Dwelling	# of Bedrooms: 4	Basement SqFT: 0	Sewer: Public
Foundation: Concrete	Full Bathrooms: 2	Finished Basement SqFt: 0	Electric: Yes
# of Stories: 1.0	Half Bathrooms: 0	Interior Walls: Plaster	Gas: Yes
Ext. Walls: Brick	Floors: Wood, Carpet	Heating: Forced Air	Fuel Type: Gas
Roofing: Comp Shg	Fireplaces: 0	A/C: No	
Roof Type: Hip	Stacked Fireplaces: 0		
Garage: None	Flues: 0		
Garage - # Of Cars: 0	Metal Flues: 0		
Built-In Garage - # Of Cars: 0	Stacked Flues: 0		
Carpport: None	Inoperable Flues/Fireplaces: 0		
Carpport - # Of Cars: 0	Gas Log Fireplaces: 0		

barzel.mckinney@gmail.com

From: Nick Feaster <nfeaster@jeswork.com>
Sent: Tuesday, June 30, 2020 8:13 PM
To: Barzel.mckinney@gmail.com
Subject: Fw: 315 McKinney Street Fredericksburg, VA Inspection

From: Nick Feaster
Sent: Monday, June 29, 2020 10:49 PM
To: info@havenforheroes.org <info@havenforheroes.org>
Subject: 315 McKinney Street Fredericksburg, VA Inspection

Mr. McKinney,

Thanks again for having me out to review the foundation of this home, as discussed on site, structurally the building is actually in pretty good shape, the brick that was falling was just sitting on a surface footing (basically formed on top of the loose back fill soil, which settled) After the brick was demoed you can clearly see the foundation which did not appear to have any major issues and was actually down about 3-4' deeper to the footings, no signs of settlement on that. The inside joist have slight amounts of deflection (mostly from moisture and sitting empty for so long) but nothing is in danger of falling down other than the steps going to the front door which can easily be repaired.

It is my personal belief that this house will turn out great and should be able to be repaired. Just make sure to repair any rot as you come in and renovate before installation of siding.

Best of luck and don't hesitate to call if you have any questions.

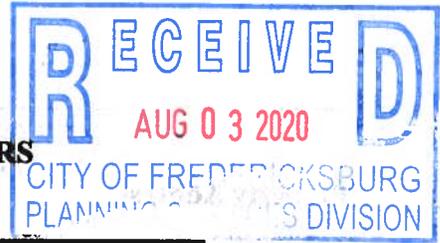
Nick Feaster

Inspection Manager
JES Foundation Repair
Office: 804-425-9912
Cell: : 757-435-3197

Serving VA, DC, MD, NC, SC, GA FL, MO, OH & IN

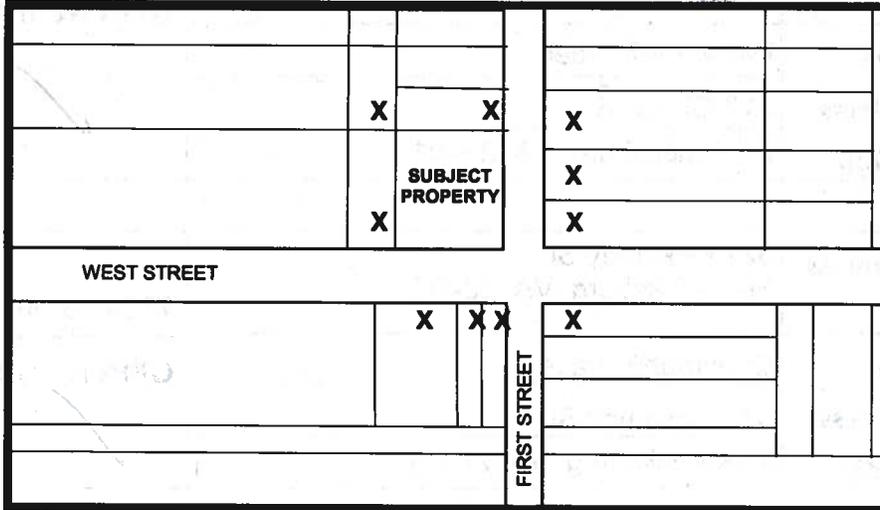
70,000+ Homes Repaired Since 1993

www.jeswork.com |



EXAMPLE DIAGRAM OF ADJOINING PROPERTY OWNERS

X = Property owners to be notified



PROPERTY OWNERS LIST

315 Mckinney St, Fredericksburg, VA 22401

7788-18-9981

SUBJECT ADDRESS

GPIN #

Adjoining property owner names and addresses can be obtained by visiting the City website at www.fredericksburgva.gov and following the link to GIS, or by visiting the Office of Real Estate at City Hall, 715 Princess Anne Street, Room 107.

Adjoining Property Owner's Name and Mailing Address

Property Address	318 Glover St, Fredericksburg VA 22401	7788-19-9032
Owner Name	Lucille B. Jackson	GPIN NUMBER ✓
Mailing Address	318 Glover St,	
City, State, Zip	Fredericksburg, VA 22401	

Property Address		
Owner Name		GPIN NUMBER
Mailing Address		
City, State, Zip		

Property Address	312 Glover St Fredericksburg, VA 22401	7788-29-0013
		GPIN NUMBER
Owner Name	William A Mercer	✓
Mailing Address	312 Glover St	
City, State, Zip	Fredericksburg, VA 22401	

Property Address	321 Mckinney St Fredericksburg, VA 22401	7788-18-9921
		GPIN NUMBER
Owner Name	Christopher Page	✓
Mailing Address	321 Mckinney St	
City, State, Zip	Fredericksburg, VA 22401	

Property Address	311 Mckinney St Fredericksburg, VA 22401	7788-28-0941
		GPIN NUMBER
Owner Name	3337 LLC	✓
Mailing Address	1003 Bragg Rd	
City, State, Zip	Fredericksburg, VA 22407	

Property Address	320 Mckinney St Fredericksburg, VA 22401	7788-18-8787
		GPIN NUMBER
Owner Name	Taylor Jennings and Audrey Young	✓
Mailing Address	10863 Harmel Dr.	
City, State, Zip	Columbia, MD 21044	

Property Address	314 Mckinney St Fredericksburg, VA 22401	7788-28-0768
		GPIN NUMBER
Owner Name	Carlos Calderon Hernandez	✓
Mailing Address	314 Mckinney St	
City, State, Zip	Fredericksburg, VA	



Property Address	308 Mckinney St Fredericksburg, VA 22401	7788-28-1725
Owner Name	Denise Armstead	GPIN NUMBER /
Mailing Address	308 Mckinney St	
City, State, Zip	Fredericksburg, VA 22401	

Property Address		
Owner Name		GPIN NUMBER
Mailing Address		
City, State, Zip		

Property Address		
Owner Name		GPIN NUMBER
Mailing Address		
City, State, Zip		

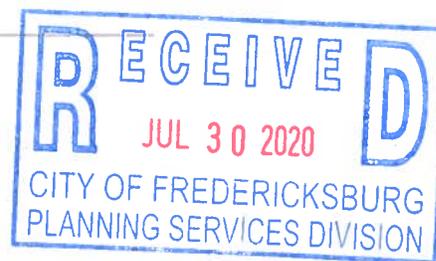
Property Address		
Owner Name		GPIN NUMBER
Mailing Address		
City, State, Zip		

Property Address		
Owner Name		GPIN NUMBER
Mailing Address		
City, State, Zip		

ATTACH ADDITIONAL SHEETS IF NECESSARY

**NOTE: Applicant to return all notice documents at least five days or prior to the public hearing to:
Office of the Zoning Administrator, 715 Princess Anne Street, Fredericksburg, VA 22401**

Haven For Heros INC



Memorandum

To: City of Fredericksbur Planning Services Division
715 Princess Anne St, Rm 209, P.O. Box 7447
Fredericksburg, VA 22404

From: Barzel B. Mckiney (Haven For Heros INC)

CC: James Newman

Ref: 315/317 Mckinney St, Fredericksburg VA 22401(Special Exception Application)

Statement: No member of the City Council / Planning Commission or any member of their immediate household or family owns or has any financial interest in such property or has any financial interest in the outcome of the decision.

BARZEL B. MCKINNEY

Haven For Heros INC



Memorandum

To: City of Fredericksburg Planning Services Division

715 Princess Anne St, Rm 209, P.O. Box 7447

Fredericksburg, VA 22404

From: Barzel B. Mckinney (Haven For Heros INC)

CC: James Newman

Ref: 315/317 Mckinney St, Fredericksburg VA 22401(Special Exception Application)

1. This request is consistent with the City's Comprehensive Plan Section II (Housing and Affordable Housing Page 7-6) providing safe/secure affordable housing.
2. Th request is consistent with the goals, purpose and standards of the City's UDO. Goal 7: Affordable Housing All persons who live and work in Fredericksburg should have the opportunity to rent or purchase safe, decent, and accessible housing within their means
3. This development's impact on adjacent and neighboring properties would eliminate a long standing blighted property eyesore within the community, adding a new more modern and appealing residence within the community with new families adding value to existing adjacent property.
4. This request is consistent with the principles of the zoning and good zoning practice. The subject property was and currently is a multi unit property, the community consist of many multi units so this would not be an unusual project for the area. The characteristics of the property involved does not constitute a tear down but a rehab that would not negatively affect the adjacent property owners at all. There are no adverse impacts on the propsed use.


Barzel B. Mckinney



820

BOOK 171 PAGE 657

THIS DEED, made and entered into this 14th day of November, 1979, by and between JOHN W. SCOTT, JR., TRUSTEE under the Last Will and Testament of Webster L. Harris, deceased, grantor, party of the first part; and BOBBIE L. SMITH and LILA C. SMITH, husband and wife, Grantees, parties of the second part.

WITNESSETH:

That for and in consideration of the sum of Ten Dollars (\$10.00), and other good and valuable consideration, the receipt of which is hereby acknowledged, the said grantor, JOHN W. SCOTT, JR., TRUSTEE under the Last Will and Testament of Webster L. Harris, deceased, does hereby bargain, sell, grant and convey with Special Warranty of Title, unto the Grantees, BOBBIE L. SMITH and LILA C. SMITH, husband and wife, as tenants by the entirety with the right of survivorship as at common law, the following described real estate, to-wit:

315 Mc Kenney St.
Frog, Va.

Those three certain lots or parcels of real estate, with all buildings and improvements thereon and rights and privileges thereto appurtenant, situate, lying and being in the City of Fredericksburg, Virginia, and described as Lots Numbers Fifty Six (56), Fifty Seven (57) and Fifty Eight (58) in Block Thirty Eight (38) on Map and Plat of the Fredericksburg Development Company, recorded in the Clerk's Office of the Circuit Court of the City of Fredericksburg, Virginia; BEING the same real estate conveyed unto W. L. Harris by deed from McGuire's, Incorporated, dated June 5, 1970, of record in the aforesaid Clerk's Office in Deed Book 140 at page 263.

The Last Will and Testament of Webster L. Harris is recorded in the aforesaid Clerk's Office in Will Book R, page 688, and the order appointing the said John W. Scott, Jr., Trustee was entered by the Circuit Court of the City of Fredericksburg, Virginia, on March 1, 1979.

WITNESS the following signature and seal:

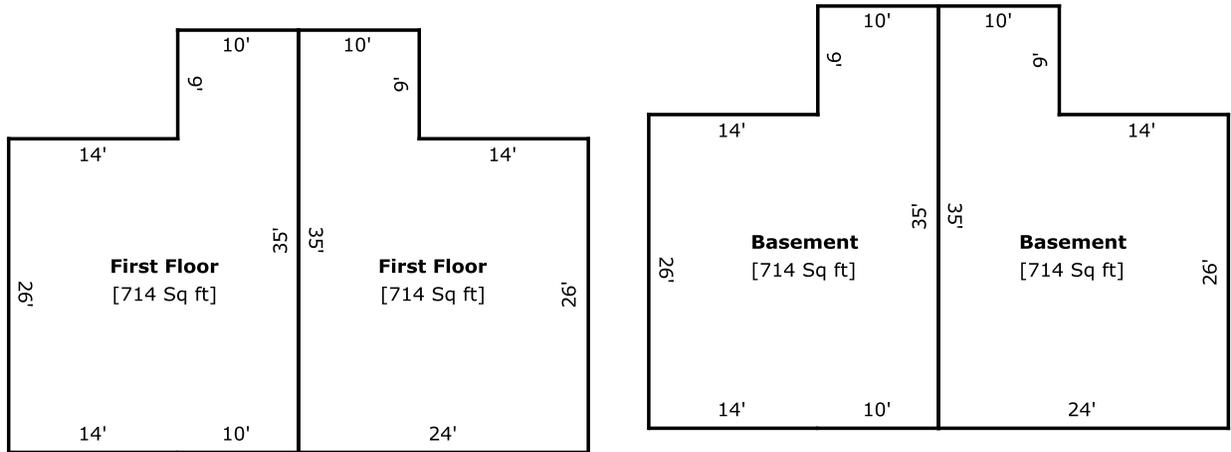
John W. Scott, Jr. (SEAL)
John W. Scott, Jr., Trustee under the Last Will and Testament of Webster L. Harris, deceased.

MULTIPLE, SEAL & LEGIBLER
BY JOHN W. SCOTT, JR.
CLERK OF CIRCUIT COURT
OF THE CITY OF FREDERICKSBURG,
VIRGINIA

Building Sketch

Borrower	Private				
Property Address	315 McKinney St				
City	Fredericksburg	County	City of Fredericksburg	State	VA Zip Code 22401
Lender/Client	Private				

This sketch is provided in all good faith and intention. The appraiser is neither architect nor surveyor. Dimensions noted are those recorded by the appraiser in the field. They may or may not match those dimensions reported by a survey crew or architectural drawings. No attempt has been made to create a perfect architectural rendering of the improvement.



Area Calculations Summary

Living Area	Calculation Details	
First Floor	714 Sq ft	$24 \times 26 = 624$ $9 \times 10 = 90$

From: [Barzel Mckinney](#)
To: [James D. Newman](#)
Subject: [EXTERNAL] RE: Contact Info - Special Exception requested Info
Date: Friday, September 11, 2020 5:35:28 PM
Attachments: [image001.png](#)
[image002.png](#)
[H2 Application answers to 1023 2.pdf](#)

Hello Mr. Newman, Here's the info in which our application to the IRS was approved under. Please review and see if this provides you with the info you need on our organization. Our organization provides affordable housing solutions for Very Low and Low income veterans, not specifically disabled veterans or solely veterans with mental disabilities. As a member of the COC our role is to meet with housing specialist and case managers and determine if we have a good housing fit for families seeking housing on their list. Our concerns are getting our families out of the shelter into safe and secure homes in decent neighborhoods. We also have a criteria for the families we assist. Those families that are experiencing hardships, and cleared through case management with mental no risk to family or community. So neighbors can rest assured since we screen our families to ensure neighbors are safe and have nothing to worry about can welcome a veteran family in to the neighborhood. Most of the more severe cases required transitional housing and SSVF housing which involve one unit apartments which is not our focus. Our focus is Affordable low income Single family housing. Please see attached and let me know if you have additional questions or concerns.

Thanks

Barzel B. Mckinney
President/Executive Director
US Army Retired
barzel@haven4heros.org
540-446-6686



From: James D. Newman <jdnewman@fredericksburgva.gov>
Sent: Friday, September 11, 2020 1:36 PM
To: Barzel Mckinney <info@haven4heros.org>
Subject: Contact Info - Special Exception

Hello Mr. McKinney,

I just tried to call you but the 540-479-1044 number listed on your application and website does not work. Would you please give me a call today at 540-372-1179? Thank you.

James Newman, AICP, CZO
Fredericksburg Zoning Administrator
540-372-1179 Ext 231

DISCLAIMER: Information contained in this e-mail does not take the place of a written zoning determination and is not intended to be an official zoning decision. To obtain an official written zoning decision, contact the Zoning Administrator for more information.

HAVEN FOR HERO'S, INC.

EIN: 82-5086741

FORM 1023

Part IV, Narrative Description of Activities continued:

Program 1: Provide Affordable Housing for Low and Very Low-Income Veterans within Fredericksburg, VA and the Washington, D.C. metro area.

Haven for Hero's, Inc. is a nonprofit organization, organized and operated exclusively to improve the lives of veterans and their families by providing housing and a pathway to home ownership for low income veterans.

Our organization is charitable as defined in Treas. Reg. 1.501(c)(3)-1(d)(2) and operates exclusively to provide relief for the poor and distressed by supporting and providing assistance to low income veterans and their families to help them acquire decent, safe, sanitary and affordable housing within the Washington-Arlington-Alexandria, DC-VA-MD MSA, consistent with Rev. Rulings 67-138, 70-585 and 76-408.

The program intends to offer the following:

- Affordable homes for veterans who cannot afford decent housing
- Housing opportunities for veterans suffering from financial hardships

Our goal is to help people who, by HUD statistical definitions, are low or very low income and have reliable income but who cannot qualify to purchase a home and in most cases cannot even afford a decent rental home at market rates. In other cases, the home they could afford would not be in a safe neighborhood. Our plan is to acquire reasonable, safe and sustainable housing units either through donations from property owners, direct purchase of distressed properties or from HUD and other agencies. The homes purchased will be within a 200-mile radius of Fredericksburg, Virginia within the Philadelphia, Pennsylvania HUD Home Ownership Center (HOC) jurisdiction. Ideally these homes will offer access to public transportation, providing opportunities for employment and access to social services and support groups. There will be an application process and financial suitability testing for people that are interested in participating in the program. We also intend to rely and partner with other approved 501c3 organizations and governmental housing agencies to source and screen potential qualifying renters.

There are five important elements our organization will focus on:

- Relief for poor and distressed within our community.
- Combat community deterioration through the acquisition and repairing of properties as required for occupancy.
- Lessen the burden of government by offering solutions to the affordable housing crisis.

HAVEN FOR HERO'S, INC.

EIN: 82-5086741

FORM 1023

Part IV, Narrative Description of Activities continued:

- Elimination of prejudice and discrimination towards the poor by providing access to housing within stable and safe neighborhoods.
- Provide affordable, safe and sustainable housing opportunities for the disadvantaged.

Our intention is to qualify for exemption under the facts and circumstances provisions as outlined in the safe harbor provisions contained in Rev. Proc. 96-32. Specifically, our organization intends to adopt the standards of Sec. 3 of Rev. Proc. 96-32 and / or meet the facts and circumstances test as outlined in Sec. 4. We intend to use Department of Housing and Urban Development (HUD) income statistics for low-income and very low-income veterans living in Fredericksburg, Virginia within the Washington-Arlington-Alexandria, DC-VA-MD MSA to ensure the housing is affordable and that our programs and activities comply with U.S. Department of Housing and Urban Development Office of Housing / Housing Notice 94-74 and all present and future HUD guidelines for affordable housing acquisition as outlined in the HUD Housing Handbook. Additionally, our organization intends to acquire properties under FHA mortgage insurance sections 203(b), 203(i), 203(k) and 234 of the National Housing Act. Our goal is to provide rental and long-term housing opportunities for veterans that cannot otherwise afford to rent or purchase decent, safe housing. We intend to work with other community-based organizations, local and state government agencies, 501c3 organizations, HUD approved, 501c3 local housing counselling agencies (LHCA) and churches to provide additional social and support services at low or no cost and to provide relief to people with unusual and extreme financial burdens that prohibit them from obtaining decent housing.

The purpose of this program is to help hard working, low income veterans to obtain housing and ultimately achieve stability, combat community deterioration, reduce crime due to poverty and hopelessness and build stronger neighborhoods in the process.

Program Administrator: Haven for Hero's, Inc. Officers, Board of Directors and Volunteers.

Implementation Date: This program is in progress. Our present activities include enhancing our board of directors, seeking financial support and developing the core programs. The organization spends 100% percent of the time ensuring the successful outcome of this program and activities. This program is funded with donations from individuals and businesses with the intention of receiving grants in the future.

HAVEN FOR HERO'S, INC.

EIN: 82-5086741

FORM 1023

Part V, Question #3a:

Barzel B. Mckinney, President / Director

Average Hours

40 hours per month

Duties

- Create, develop and implement programs in alignment with the mission of the organization.
- Create policies pertaining to the activities of the daily operations.
- Serve on committees or task forces and offer to take on special assignments.
- Inform others about the organization.
- Be informed about the organization's mission, services, policies, and programs.
- Evaluate the performance of the organization in achieving its mission.
- Increase community partnerships.
- Engage new audiences to promote and support our mission.
- Seek new ways to improve and promote the core mission of giving back through leveraging relationships with other like-minded 501(c) (3) organizations.

HAVEN FOR HERO'S, INC.

EIN: 82-5086741

FORM 1023

Part VI, Question #1a:

In carrying out the exempt purpose of Haven for Hero's, Inc., our organization is dedicated to providing a pathway to affordable housing for the poor, distressed and economically disadvantaged. We strive to serve low income veterans and less fortunate families primarily in Fredericksburg, Virginia.

There are three specific target groups we have identified:

1. Veterans that qualify under HUD's low and very low-income guidelines and published standards.
2. Veterans who have recently become unemployed and meet federal poverty level guidelines.
3. Veterans suffering extreme hardships on a case by case basis.

Our goals include providing rental and permanent housing opportunities within a 200-mile radius of Fredericksburg, Virginia.

Many of the veterans we intend to serve only know crime ridden neighborhoods with overcrowding, high racial imbalance, tensions and unsafe living conditions. Haven for Hero's, Inc. seeks to provide relief to the disadvantaged by providing access to clean, comfortable and low-cost housing. Housing insecurity is a growing threat as a shortage of affordable housing in our area and within the surrounding communities of Washington, D.C. have experienced property values increasing to record highs, thereby displacing veterans who can no longer afford their old neighborhoods. Haven for Hero's, Inc. intends to acquire homes in areas that could use improvement or would qualify for community development. Our goal is to fix them and rent them to veterans on a long-term basis. We intend to instill in our residents a sense of ownership and pride in their place of residence. If, over time a family can qualify for FHA financing, they will have the opportunity to purchase the property from the organization at below fair market value. Our organization intends to partner with other social service organizations to sponsor workshops where people can learn skills in basic home repair. These will be taught by volunteers who have expertise in these specialties. Coordination with city and county officials should insure that any major improvements meet standard code practices. The organization will not only facilitate education, but will facilitate access, on a need basis, to materials and equipment obtained through donations. The residents of our properties will receive volunteer help for approved projects. Financially and credit challenged veterans would be eligible to participate in the rental program. They will also be encouraged to "pay it forward" and help others within the community.

HAVEN FOR HERO'S, INC.

EIN: 82-5086741

FORM 1023

Part VI, Question #1a continued:

Our goal includes fighting community deterioration and racial discrimination while turning neighborhoods around and teaching people how to take care of themselves and acquire skills that will not only benefit themselves in self-esteem, but also as vested renters and potentially home owners.

Our vision is to create a community of veterans that are connected and supportive of each other. Our goals include combating community deterioration by providing a clear path for renters or transitional tenants to become owners, thereby encouraging pride of ownership through property up-keep consistent with Rev. Rulings 68-17, 68-655, 70-585 and 76-147.

Haven for Hero's, Inc. also strives to lessen neighborhood tensions by focusing on areas that suffer from overcrowding in lower income areas that lack accessible and affordable housing.

Our initial fundraising efforts will include:

- An awareness and educational campaign that encourages individuals and local business owners to participate through volunteerism and individual donations.
- Applications to agencies that award grants to affordable housing providers.
- Leverage our professional relationships within the communities of Fredericksburg.
- Seek support in the form of non-cash donations (construction materials, for example) from local businesses.

Part VI, Question #1b:

To further the exempt purposes of Haven for Hero's, Inc., the organization's goal is to partner with other like-minded 501(c) (3) organizations. Our plan is to work with other outstanding community housing leaders, government housing agencies and nonprofit organizations that focus on issues related to eliminating the affordable housing crisis; making a difference for veterans, their families and communities by providing low cost housing to those in need.

HAVEN FOR HERO'S, INC.

EIN: 82-5086741

FORM 1023

Schedule F – Section I – Narrative Descriptions

1. Our goal is to provide access to rental opportunities of primarily single-family homes to low to very low-income individuals and veterans as described by HUD's published income guidelines for affordable housing providers.
2. Our organization has not yet developed an application. We intend to use an application similar to the one used by the Central Virginia Housing Coalition.
3. Our properties will be registered with the Central Virginia Housing Coalition and on www.gosection8.com
4.
 - a. Our organization has not purchased any property at this time. We intend to acquire single family homes ranging in size from 750 sq. ft. to 3000 sq. ft. through HUD's special acquisition program for 501c3 affordable housing providers.
 - b. We anticipate the total number of residents per home to be family units of 2 – 7 individuals.
 - c. We do not own any properties at this time, therefore – the number of residents is currently is zero.
 - d. We anticipate many veterans we serve will not make the transition from renters to owners or will require considerable time to transition to ownership. Therefore, the majority of properties the organization will purchase will be occupied by renters. Each facility will consist of a modest single-family home that meets the occupational standards and complies with the Central Virginia Housing Coalition inspection and compliance requirements for Section 8 housing.
5. Please See Attachments "A-1, A-2"
6. Our organization will not participate in joint-ventures, profit sharing or revenue splitting arrangements with any for profit companies.
7. Acquisition, repairs and rehabbing of properties will be conducted exclusively by officers, directors and volunteers of Haven for Hero's, Inc. and / or

HAVEN FOR HERO'S, INC.

EIN: 82-5086741

FORM 1023

Schedule F – Section I – Narrative Descriptions, continued:

officers, directors and volunteers of other approved 501c3 organizations. Should the need arise for outside consultants or experts (environmental engineers, for example), these arrangements or contracts must be arms-length from any officers, directors, volunteers or donors of Haven for Hero's, Inc. and in compliance with our conflict of interest policy. Additionally, each contract must be competitively bid by a minimum of 3 providers (at no more than fair market value) and approved by the board of directors. Our organization encourages professionals to donate their time and expertise should these unusual situations arise.

8. Haven for Hero's, Inc. will manage its own activities, facilities and properties. There will be no outside management contracts or arrangements.
9. Not at this time. It is our intention to participate in the HUD direct sales program for nonprofit organizations and with any other government agency or 501c3 organization that provides affordable housing. Our organization, upon recognition of exemption, will apply to the Central Virginia Housing Coalition and register under the Housing Opportunity Program (HOP) for landlords that provide access to housing for low and very low-income veterans.
- 10a. The organization does not own any facilities at this time.
 - b. Our intention is to acquire properties through the HUD direct sales program for nonprofits and through donations of property suitable for our exempt purpose.
 - c. The organization is not a party to a lease of a building or land.

Schedule F – Section III – Low-Income Housing - Narrative Descriptions

1. Our organization's criteria for qualifying are the standards set forth in Revenue Procedure 96-32, specifically Section 3, SAFE HARBOR FOR RELIEVING THE POOR AND DISTRESSED. To comply, potential residents will not be charged more than 30% of gross income towards rent and / or Section 4, FACTS AND CIRCUMSTANCES TEST, as renters will be eligible through their participation in HUD's Housing Choice Voucher Program or the Central Virginia Housing Coalition Section 8 Division.
2. Residents will not pay periodic fees or be assessed maintenance charges.

HAVEN FOR HERO'S, INC.

EIN: 82-5086741

FORM 1023

Schedule F – Section III – Low-Income Housing - Narrative Descriptions, continued:

- 3a. We intend to apply the standards set forth in Revenue Procedure 96-32, Sec. 1 SAFE HARBOR FOR RELIEVING THE POOR AND DISTRESSED or Sec. 4, FACTS AND CIRCUMSTANCES TEST. Our organization will use HUD's published statistics to determine the financial criteria to qualify as low-income and / or very low-income for our MSA and the Central Virginia Housing Coalition Payment Standards for allowable Fair Market Rents (FMR). **See Tables 1, 2.**

Housing assistance payments are limited by FMRs established by HUD for different geographic areas. In the Housing Choice Voucher Program (Section 8), the FMR is the basis for determining the "payment standard amount" used to calculate the maximum monthly subsidy for an assisted family and may be adjusted by local housing authorities.

Low and very low income is determined based on the government poverty scale based on family size and geographic region as indicated below. For example, for a family of 4, HUD considers \$58,600 to be very low income. See **Table 2**, below. Our organization will require an application and substantiation of income, such as W-2 forms, paystubs, government assistance forms, tax returns and / or and unemployment statements.

Each veteran and their family who qualifies for the program will be asked to pay rent upon obtaining employment. We anticipate our rents received to be approximately \$1,750/month per 2-bedroom housing unit. These rents may be adjusted higher or lower based on future HUD and Central Virginia Housing Coalition published standards and requirements.

To qualify for the program, the veterans must show proof of being of low or very low- income, such as receiving some form of government assistance (for example, Sec. 8 Housing Vouchers) or demonstrate income below the Federal Government's published poverty income levels.

Individuals and veterans will be able to stay for an indefinite amount of time.

We anticipate at least 75% of our units will be occupied by low-income tenants to include 20% of the occupied units with tenants that qualify as very low-income.

HAVEN FOR HERO'S, INC.

EIN: 82-5086741

FORM 1023

Schedule F – Section III – Low-Income Housing - Narrative Descriptions, continued:

Table 1

HUD Metro Fair Market Rents (FMR) for All Bedroom Sizes
FY 2018 Washington-Arlington-Alexandria, DC-VA-MD MSA

Efficiency	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
\$1504	\$1561	\$1,793	\$2,353	\$2,902

Table 2 – Section 8 Income Limits

FY 2018 Washington-Arlington-Alexandria, DC-VA-MD MSA

	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Low Income	\$54,250	\$62,000	\$69,750	\$77,450	\$83,650	\$89,850	\$96,050	\$102,250
Very Low Income	\$41,050	\$46,900	\$52,750	\$58,600	\$63,300	\$68,000	\$72,700	\$77,400

- 3b. Our organization intends to model and adhere to the standards and criteria established by HUD and the state of Virginia.
4. We do not intend to provide social services to residents; however, our organization intends to partner or make arrangements with other approved 501c3 organizations or government agencies that provide social services.



MEMORANDUM

TO: Timothy J. Baroody, City Manager
FROM: James Newman, Zoning Administrator
DATE: October 5th, 2020 for the October 13th City Council Meeting
RE: *SUP 2020-04, Crown Trophy*, requests a Special Use Permit to allow for a 3,200 sq. ft. retail sales establishment at 1529 Olde William Street.

ISSUE

Should the City Council approve the proposed special use permit for retail sales?



RECOMMENDATION

Approval subject to the following conditions:

1. Hours of operation shall be limited from 9AM to 10PM Monday through Sunday.
2. The use shall commence within 24 months of the date of adoption of this resolution. The use is permitted only so long as it continues and is not discontinued for more than 24 months.

GENERAL BACKGROUND

Virginia Awards Inc., doing business as Crown Trophy, wishes to operate a retail sales establishment at 1529 Olde William Street. The business is currently located at 810 Westwood Office Park. They create custom trophies, screen prints, embroideries, and other custom award design work.

The 1529 Olde William Street is located in the same building as 1527 Olde William Street. The structure was built in 1959. The previous use of the 1529 address was as office space. Adjacent uses include business offices, a veterinary clinic, and parking lots.

The total size of the unit is 3,200 sq. ft. There will be a showroom approximately 800 sq. ft. in area and a manufacturing area approximately 800 sq. ft. in area. The rest of the space will be devoted to office and storage use.

The business will be owner-operated. The applicant has requested hours of operation being 9AM-5PM. Per the property owner, there are 18 parking spaces adjacent to the building, 14 in a common area behind, and space for additional parking on-street.

The applicant states that there will be seven employees (four full-time and three part-time). Tools used for their work include laser etching machines, hand tools, and an embroidery machine. No noxious fumes, vapors, or other nuisance factors will be an issue.

CITY COUNCIL PUBLIC HEARING

City Council held a public hearing for this item on September 22nd, 2020. There was no public comment. There were no questions for the applicant. There was a discussion about the use of special use permits in CT Zoning and whether that was a desirable situation.

PLANNING COMMISSION PUBLIC HEARING

The Planning Commission held a public meeting on this item at their September 9, 2020 meeting. There was no comment or question from the Planning Commission, and no public comment. The Planning Commission voted on September 16th to recommend **approval** to City Council 6-0 (with 1 absent).

RETAIL SALES

Retail Sales is defined in City Code Section 72-84 as:

“Any building wherein the primary occupation is the sale of merchandise in small quantities, in broken lots or parcels, not in bulk, for use or consumption by the immediate purchaser. The term shall not include automobile-oriented uses, quick-service food stores, or vehicle sale, rental or ancillary service establishments.”

City Code Section 72-83.4 defines the characteristics of retail sales as:

“...use types involved in the sale, lease, or rent of new or used products to the general public. They may also provide personal services or entertainment, or provide product repair or services for consumer and business goods. Accessory uses may include offices, storage of goods, manufacture or repackaging of goods for on-site sale, concessions, ATM machines, outdoor display/sales areas, gasoline sales, and parking.”

The primary focus of the business is the display and sale of goods to customers. The manufacturing aspect is accessory to the sales; the application meets the definition of retail sales establishment.

For manufacturing, all parts used are pre-assembled materials. Parts are pieced together using hand-tools or light machinery to bring about the final product, which is then displayed or sold to the customer.

SPECIAL USE PERMIT ANALYSIS

Special Use Permits apply to the property indefinitely per Virginia Code, regardless of ownership. They are evaluated according to the criteria contained in the UDO, Section 72-22.6, as follows:

(1) The proposed special use at a specified location shall be:

(a) In harmony with the adopted Comprehensive Plan;

The property lies within Land Use Planning Area 5: University/Route 1 (Central), Sub-Planning Area 5B. This area is described on page 11 (5)-4, which states in part:

“This area is uniquely positioned near major roadways, regional transit, and two major institutional anchors and could provide space for commercial and office activity.”

The future land use map in the Comprehensive Plan designates this property as Transitional/Office. This category provides for:

“The areas between residential and commercial districts are transitional spaces. This Commercial-Transitional/Office category provides for limited retail uses and small scale offices, with appropriate landscaping and screening, to provide a transition between quiet residential areas and more intense commercial districts.”

Page 6-8 of the Comprehensive Plan lists Business Opportunity Goals. Relevant goals are:

Goal 3: Be a Business-Friendly City

Small and large businesses are the lifeblood of the community as well as the City’s tax base, and steps must be taken to ensure they feel appreciated and fairly treated. That is accomplished through superior customer service, a reasonable regulatory environment, fair tax rates and excellent business retention efforts.

Goal 13: Business Development

Ensure the City can accommodate and capture its projected share of regional economic growth, by actively recruiting desired new businesses and providing for retail and office space development in areas identified for growth.

(b) In harmony with the purpose and intent of the zoning district regulations;

The purpose of the Commercial-Transitional (CT) Zoning District is *“to provide for the location of predominantly nonresidential commercial uses in a low-intensity manner such that they can be employed as transitional land uses between residential neighborhoods and higher-intensity uses.”*

The use of a retail sales establishment in this space fits this definition well. It is a low intensity, nonresidential use. It is located within a commercial area.

(c) In harmony with the existing uses or planned uses of neighboring properties.

Olde William Street is a commercial thoroughfare. All the adjacent uses are offices or commercial uses. This use will be in harmony with the surrounding land use pattern.

In considering an application for a Special Use Permit, the City Council shall consider potential adverse impacts including:

1. Traffic or parking congestion;

The site is situated on and has access from Olde William Street. On street parking is available on Olde William Street as well as Spotsylvania Avenue. On-site parking is also available.

2. Noise, lights, dust, odor, fumes, vibration, and other factors which adversely affect the natural environment;

No excessive noise, odor, fumes, or vibration are associated with the proposed use. The size of the use would be limited to the particular suite (1529 Olde William) to be occupied by the applicant, and the hours of operation listed in Condition 1 would limit the business to operate from 9am-10pm.

3. Discouragement of economic development activities that may provide desirable employment or enlarge the tax base;

The use constitutes economic development.

4. Undue density of population or intensity of use in relation to the community facilities existing or available;

There are sufficient public utilities to serve the site.

5. Reduction in the availability of affordable housing in the neighborhood;

Not applicable, this Special Use application is for a commercial use in an existing building.

6. Impact on school population and facilities;

Not applicable, this Special Use application is for a commercial use in an existing building.

7. Destruction of or encroachment upon conservation or historic districts;

Not applicable.

8. Conformity with federal, state and local laws, as demonstrated and certified by the applicant; and

The applicant states they have conformed to all federal, state, and local laws.

9. Massing and scale of the project.

The business will operate within the existing building, no expansion is proposed as part of this Special Use Permit.

CONCLUSION

This is an application to permit a retail sales establishment in a CT Zoned property. It is located in a commercial area. The application meets the criteria required for approval. The Planning Commission voted to recommend **approval** subject to conditions.



September 22, 2020
Regular Meeting
Resolution 20-__

MOTION:

SECOND:

**RE: Granting a Special Use Permit for Crown Trophy, a Retail Sales
Establishment at 1529 Olde William Street**

ACTION: APPROVED: Ayes: 0; Nays: 0

Chris and Linda Hara have applied to the City Council for a special use permit for Crown Trophy, a trophy and embroidery shop located at 1529 Olde William Street. The subject property is in the Commercial-Transitional (CT) zoning district. This type of shop is classified as a retail sales establishment, a use that is permitted in the CT district only by special use permit. The applicants seek this SUP as part of their plan to relocate their existing shop to this property.

City Council, after notice and a public hearing, has considered the application in light of its conformity with the City's Comprehensive Plan, its harmony with the purposes and standards of the zoning district regulations, its compatibility with existing or planned uses of neighboring properties, and whether the proposed special use and related improvements will be designed, sited, landscaped, and otherwise configured so that the use will not hinder or discourage the appropriate development or use of adjacent, neighboring, or community land or structures, or impair their economic, social, or environmental value.

Therefore, the City Council hereby resolves that:

- City Council grants to Chris and Linda Hara, proprietors of Crown Trophy, a special use permit for a retail sales establishment at 1529 Olde William Street, in accordance with their application dated August 14, 2020, and in accordance with the following conditions:
 - The hours of operation for this special use shall be limited to 9:00 a.m. to 10:00 p.m. Monday through Sunday.
 - The use shall commence within 24 months of the date of adoption of this resolution and is permitted only so long as it continues and is not discontinued for more than 24 months.

Votes:

Ayes:

Nays:

Absent from Vote:

Absent from Meeting:

Clerk's Certificate

I certify that I am Clerk of Council of the City of Fredericksburg, Virginia, and that the foregoing is a true copy of Resolution No. 20-__, adopted at a meeting of the City Council held Date, 2020, at which a quorum was present and voted.

Tonya B. Lacey, MMC
Clerk of Council



Application #SUP: 2020-04
 Date: 8.14.20
 Fee/Check#: ck 3304 \$900
 \$300.00 for an Individual Single-Family Lot; or
 \$750.00 + \$150.00 per Acre for All Others

**APPLICATION
 SPECIAL USE PERMIT**

(CROWN TROPHY)

APPLICANT NAME: CHRIS AND LINDA HARA
 MAILING ADDRESS: 11314 MANSFIELD CLUB DRIVE F'burg, VA
22408
 TELEPHONE: (540) 899-8995 E-MAIL: CHARA20895@AOL.COM

THE UNDERSIGNED HEREBY APPLIES FOR A SPECIAL USE FOR: _____

Trophy And Embroidery Shop
1529 Olde William Street

THE SUBJECT PROPERTY IS DESCRIBED AS FOLLOWS:

Property Location 1529 Olde William Street

Property Owned By RONALD L. HICKS

Owner's Mailing Address 1107 Westwood Drive Fred'burg VA 22401

Proposed Use of Property (be specific) Trophy And Embroidery Shop

HOURS OF OPERATION 9-5, M-F NUMBER OF EMPLOYEES 7

Anticipated Number of Patrons or Clients 10-20 per day
 Description of the development's impact on neighboring and adjacent properties (please submit a complete and accurate description on a separate sheet of paper):

1. Compliance with Comprehensive Plan:
2. In harmony with the purpose and intent of the zoning district regulations:
3. In harmony with the existing uses or planned use of the neighboring properties:
4. Traffic Impact:

Special Use Permit Request
(Application Continued)

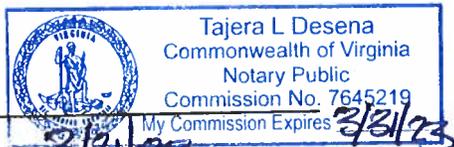
I do hereby make oath or affirmation that to the best of my knowledge, the foregoing information contained in this application is true.

[Signature] Linda Hara August 14, 2020
Signature of Applicant Date

PRINT NAME OF APPLICANT CHRIS AND LINDA HARA

The above oath or affirmation was signed before me and witnessed by me this 14th day of August, 2020 in the County / City of Fredericksburg in the state of Virginia.

Notary Signature [Signature]
Notary Registration # 7645219 Commission Expires 3/31/23



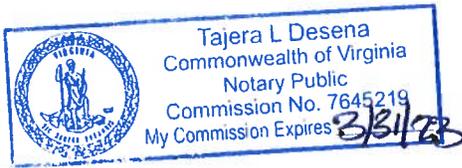
[Signature] Ronald L. Hicks August 14, 2020
Signature of Owner Date

PRINT NAME OF OWNER RONALD L. HICKS

The above oath or affirmation was signed before me and witnessed by me this 14th day of August, 2020 in the County / City of Fredericksburg in the state of Virginia.

Notary Signature [Signature]

Notary Registration # 7645219 Commission expires: 3/31/23



OWNERSHIP

Applicant is (Circle One):

Property Owner

Agent of Owner

Lessee

Property Purchaser

Other

If 'Other', describe: _____

Source of Property Title / Instrument #:

PURCHASED BY OWNER 30 YEARS AGO
JANUARY 1, 1989 Deed Book 225 Page 734

If Property is owned by a Limited Liability Corporation (LLC):

1. Attach a "Certificate of Fact of Existence" from the State Corporation Commission; and
2. List the names and titles with authority to sign on behalf of the LLC (add additional sheets if needed):

OR

If Property is owned by a Corporation (Inc.):

1. Attach a "Certificate of Good Standing" from the State Corporation Commission; and
2. List the names and titles with authority to sign on behalf of the corporation (add additional sheets if needed):

272

DEED OF EXCHANGE

THIS DEED OF EXCHANGE, made and entered into this 28th day of February, 1989, by and between LEE'S HILL PARTNERSHIP, a Virginia General Partnership, party of the first part; and RONALD L. HICKS, party of the second part.

WHEREAS, the party of the second part is part owner of a certain tract of real estate located in Spotsylvania County, Virginia, on State Route 635 containing 76.0255 acres, having a fair market value of \$2,090,701.00; and

WHEREAS, the party of the first part owns certain lots in the City of Fredericksburg, Virginia, containing a total of 0.704 acre, having a fair market value of \$525,000.00; and a certain lot in Spotsylvania County, Virginia, designated Lot 114, Spotslee Subdivision, having a fair market value of \$62,500.00; and

WHEREAS, it is the desire of the party of the first part to exchange the above lots in partial consideration for the property of the party of the second part.

NOW, THEREFORE, WITNESSETH, that for and in consideration of the mutual exchange of real estate, and other good and valuable consideration, the receipt of which is hereby acknowledged, the party of the first part does hereby bargain, grant, convey and exchange unto the party of the second part, RONALD L. HICKS, in fee simple and with SPECIAL WARRANTY and all Virginia statutory covenants of title, the following described real estate, to-wit:

All those certain lots or parcels of land, with all buildings and improvements thereon and all rights and privileges thereto appurtenant, situate, lying and being in the City of Fredericksburg, Virginia, containing a total of 0.704 acre as shown on plat thereof dated July 15, 1988, prepared by Everett D. Grissom, CLS, a copy of which plat is recorded in the Clerk's Office of the Circuit Court of the City of Fredericksburg, Virginia, in Plat Book 5, Page 14.

Being all the same real estate conveyed unto the party of the first part by deed dated February

Att: JARRELL HICKS & BARBER ATTORNEYS AT LAW • P. O. BOX 127 • SPOTSYLVANIA, VIRGINIA 22153-0127

28, 1989, from Spotsylvania Avenue Partnership which deed is recorded in said Clerk's Office immediately preceding this deed.

This conveyance is made EXPRESSLY SUBJECT TO all restrictions, covenants and easements now of record on said property as the same may lawfully apply.

WITNESS the following signature and seal:

LEE'S HILL PARTNERSHIP,
A VIRGINIA GENERAL PARTNERSHIP

BY: LEEWOOD, L. P.,
GENERAL PARTNER

BY: BEECHLEE DEVELOPMENT CORP.,
GENERAL PARTNER

BY: J.E. Goodwin (SEAL)
TITLE: Partner

ATTORNEYS AT LAW • P O BOX 127 • SPOTSYLVANIA, VIRGINIA 22543-0127
JAMES L. WOODS & GASSER

STATE OF VIRGINIA

CITY/COUNTY OF Stafford, to-wit:

The foregoing deed of trust acknowledged before me this 28 day of February, 1989, by Thomas E. Goodwin, President of Beechlee Development Corp., General Partner of LeeWood, L. P., General Partner of Lee's Hill Partnership, a Virginia General Partnership, on behalf of said Lee's Hill Partnership, a Virginia General Partnership.

My commission expires: December 10, 1990.

Linda C. Burrell
Notary Public

VIRGINIA. In the Clerk's Office of the Circuit Court of the City of Fredericksburg on the 28 day of Feb 1989 at 3:30 o'clock p. m., this instrument was presented to me, Clerk of the Court, and the same was read and indexed. The taxes imposed by such Article of the code have been paid.
881-808 & 525

Tate: Georgia K. Sutton
By: GK Sutton Deputy Clerk

Recd James Woods Gasser 3/15/89

CHRIS AND LINDA HARA
(CROWN TROPHY)

1. COMPLIANCE WITH COMPREHENSIVE PLAN:

PROPERTY CURRENTLY ZONED C-T. PROPOSED USE IS SIMILAR TO PAST USES OF THE PROPERTY. BUSINESS TAKES ORDERS MAINLY FOR CUSTOMER PICKUP, AND DOES MUCH WORK FOR THE CITY. BUSINESS IS MOVING FROM WESTWOOD OFFICE PARK TO OLDE WILLIAM ST. TRAFFIC IS MINIMAL BECAUSE THIS IS A DESTINATION BUSINESS.

2. IN HARMONY WITH THE PURPOSE AND INTENT OF ZONING DISTRICT REGULATIONS: YES, IN HARMONY WITH SURROUNDING BUSINESSES WITH LIGHT RETAIL. C-T ZONING PROVIDES FOR SPECIAL USE FOR THE PROPOSED BUSINESS USE AND PROFESSIONAL SERVICES.

3. IN HARMONY WITH EXISTING USES OR PLANNED USE OF NEIGHBORING PROPERTIES: YES, IN HARMONY WITH SURROUNDING BUSINESSES.

4. TRAFFIC IMPACT: 10 TO 20 CUSTOMERS PER DAY, TRAFFIC WOULD BE VERY LIGHT. A PERCENTAGE OF THE BUSINESS IS DELIVERY. CURRENTLY, LUCKY TO HAVE 10 CUSTOMERS PER DAY BECAUSE OF COVID.

Ronald L. Hicks
1107 Westwood Drive
Fredericksburg, VA, 22401
(540)847-3697



Mr. James Newman, AICP, CZO
Zoning Administrator
Planning Services Division
715 Princess Anne Street, Room 209
Fredericksburg, VA 22404

August 17, 2020

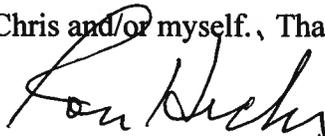
Re: SUP for Retail Sales Establishment
1529 Olde William St/ GPIN 7779-52-2314

Dear Mr. Newman,

This comes in response to yours of August 14, 2020 requesting supplemental answers to the application for Special Exception SUP 2020-04.

1. Provide source of property title. Property was acquired in January 1989 in Deed Book 225 Page 734. Copy of Deed is attached.
2. Statement of financial interests in the subject property. No member of City Council or the Planning Commission or any member of their immediate household or family has any financial interest in the outcome of the decision.
3. Statement of charges/liens. There are no delinquent real estate taxes, nuisance charges, storm water management utility fees or other charges that constitute a lien on the subject property. All charges have been paid and nothing is owed on the property.
4. Hours of operation: 9:00am to 5:00pm, Monday through Friday
Anticipated number of employees: 7, INCLUDING THE APPLICANTS AND 2 DAUGHTERS
There will be no changes made to the site.
5. List of adjacent property owners is attached.

Please advise if you have any further questions for Chris and/or myself., Thanks,


Ron Hicks, Owner

Chris Hara, Applicant



Linda Hara, Applicant



Legend

- City Boundary
- WVS Centerlines Back (12,000)
- Interstate
- US Highway
- VA Primary
- Others
- WVS Centerlines Back (12,000)
- Interstate
- US Highway
- VA Primary
- Others
- Parcels



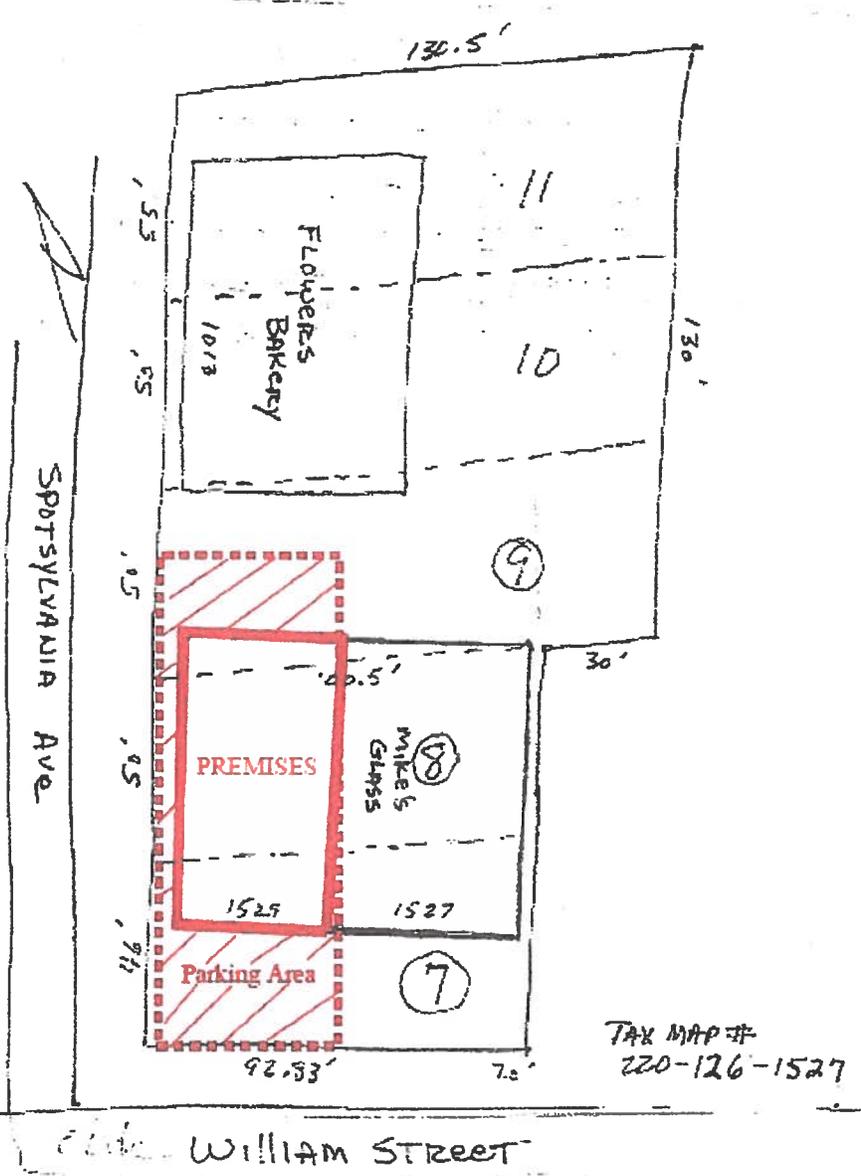
Title: Parcels

Date: 8/14/2020



DISCLAIMER: All information depicted on this map shall be treated as confidential information and shall only be used for the sole purpose for which it was provided. Another use of this map or the information included thereon is strictly prohibited. The data shown on this map is for information purposes only and shall not be relied upon for the specific location of map features. The City of Fredericksburg makes no representation or warranty as to the accuracy of the map, or the information shown thereon. This map may not be copied or otherwise made available to any other party in paper or electronic format without written consent from the City of Fredericksburg.

EXHIBIT B
(Sketch)
TAX MAP

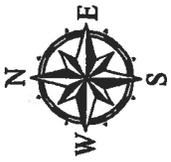
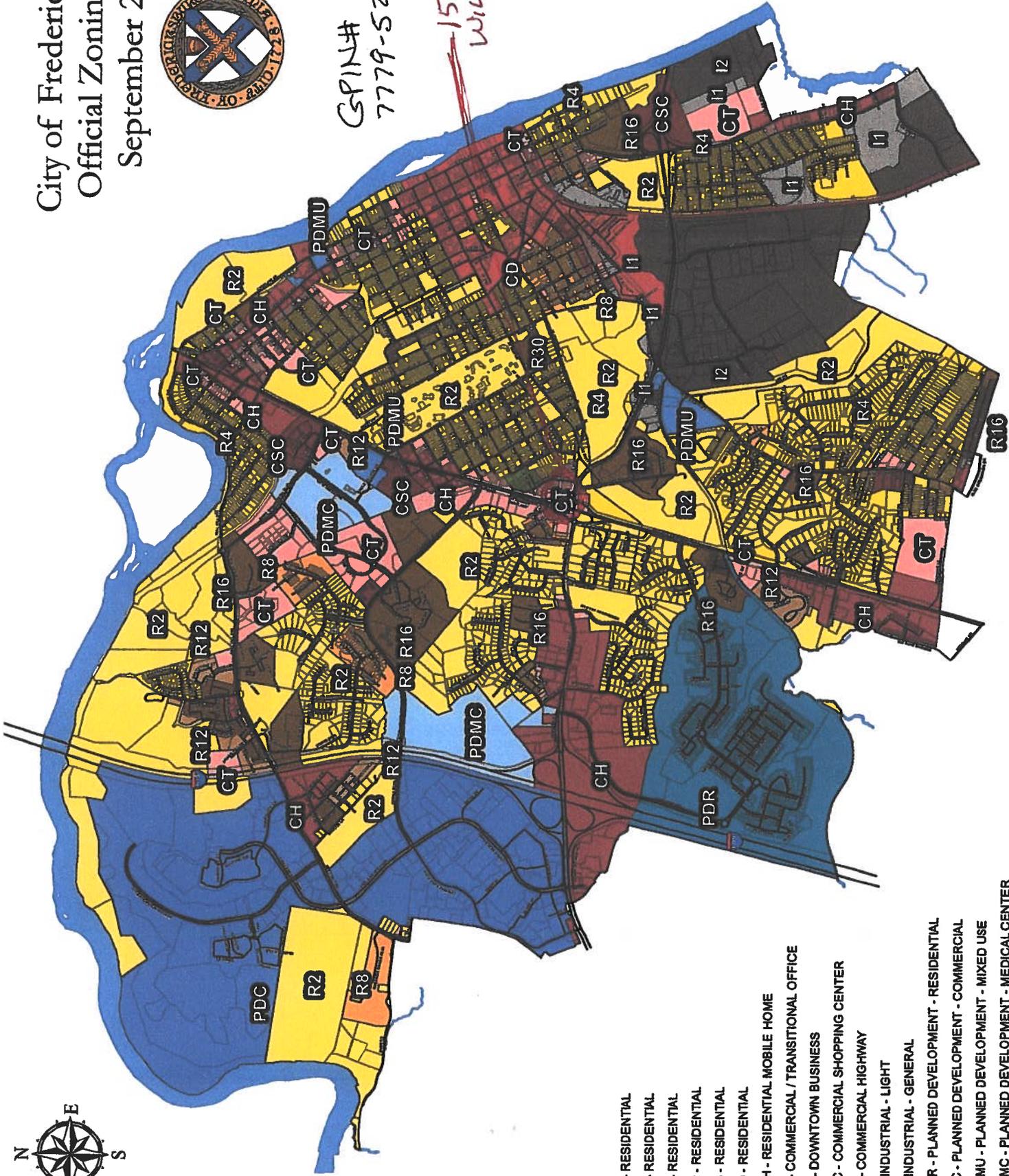


GPIN # 7779-52-2314

City of Fredericksburg
 Official Zoning Map
 September 2019



SPIN#
 7779-52-2314
 1529 Olde
 WILLIAM ST



- Legend**
- Zoning**
- R2 - RESIDENTIAL
 - R4 - RESIDENTIAL
 - R8 - RESIDENTIAL
 - R12 - RESIDENTIAL
 - R16 - RESIDENTIAL
 - R30 - RESIDENTIAL
 - RMH - RESIDENTIAL MOBILE HOME
 - CT - COMMERCIAL / TRANSITIONAL OFFICE
 - CD - DOWNTOWN BUSINESS
 - CSC - COMMERCIAL SHOPPING CENTER
 - CH - COMMERCIAL HIGHWAY
 - I1 - INDUSTRIAL - LIGHT
 - I2 - INDUSTRIAL - GENERAL
 - PD-R - PLANNED DEVELOPMENT - RESIDENTIAL
 - PDC - PLANNED DEVELOPMENT - COMMERCIAL
 - PD-MU - PLANNED DEVELOPMENT - MIXED USE
 - PD-MC - PLANNED DEVELOPMENT - MEDICAL CENTER
- Rail Lines
 Road Centerlines

Ronald L. Hicks
1107 Westwood Drive
Fredericksburg, VA, 22401
(540)847-3697



Mr. James Newman, AICP, CZO
Zoning Administrator
Planning Services Division
715 Princess Anne Street, Room 209
Fredericksburg, VA 22404

August 18, 2020

Re: SUP for Retail Sales Establishment
1529 Olde William St/ GPIN 7779-52-2314
REVISED List of Adjoining Property Owners

Dear Mr. Newman,

This comes in response to yours of August 18, 2020 requesting additional listings of Adjacent Property Owners for the application for Special Exception SUP 2020-04.

1. GPIN# 7779-52-0434 owned by Smith Run Center Condominium has been added.
2. GPIN# 7779-52-0467 was included on Page 2 of the original List.
3. GPIN# 7779-52-0572 was included on Page 2 of the original List

Per your suggestion, I have not removed GPIN#s 7779-52-2682, 7779-52-0675, and 7779-52-3666, property owned by Duffee Keene Delahay Embrey, but have noted that no mailing is required to this property owner.

Please see the REVISED List of Adjoining Property Owners attached.

A handwritten signature in black ink that reads "Ron Hicks".

Ron Hicks, Owner

A handwritten signature in black ink that reads "Chris Hara".

Chris Hara, Applicant

A handwritten signature in black ink that reads "Linda Hara".

Linda Hara, Applicant

James,
I tried to call to make sure I wasn't missing something on "2 and 3," but wanted to get this in today. I know this is a busy day for you! Ron

**Ronald L. Hicks, Owner
Chris and Linda Hara, Applicant
1529 Olde William Street
GPIN#7779-52-2314**

REVISED

LIST OF ADJOINING PROPERTY OWNERS

Property Address	0 Spotsylvania Avenue	Mailing Not Required Per Zoning Dept
Owners Name	Duffee Keene Delahay Embrey c/o James B. Franklin	GPIN NUMBER 7779-52-2682
Mailing Address	308 Lee Dr	
City, State, Zip	Fredericksburg, VA 22401	

Property Address	0 Spotsylvania Avenue	Mailing No Required Per Zoning Dept
Owners Name	Duffee Keene Delahay Embrey c/o James B. Franklin	GPIN NUMBER 7779-52-0675
Mailing Address	308 Lee Dr	
City, State, Zip	Fredericksburg, VA 22401	

Property Address	0 Buckner Street	Mailing Not Required Per Zoning Dept
Owners Name	Duffee Keene Delahay Embrey c/o James B. Franklin	GPIN NUMBER 7779-52-3666
Mailing Address	308 Lee Dr	
City, State, Zip	Fredericksburg, VA 22401	

Property Address	1601 Olde William Street	
Owners Name	1601-C Olde William LLC	GPIN NUMBER 7779-52-0572
Mailing Address	1601-C Olde William Street	
City, State, Zip	Fredericksburg, VA 22401	

Property Address	1601 Olde William Street	
Owners Name	Cryscos LLC	GPIN NUMBER 7779-52-0467
Mailing Address	1601 Olde William Street, Ste B	
City, State, Zip	Fredericksburg, VA 22401	

Property Address	1601 Olde William Street	
Owners Name	S F Sales, LLC	GPIN NUMBER 7779-52-0463
Mailing Address	11505 General Wadsworth Drive	
City, State, Zip	Spotsylvania, VA, 22553	

Property Address	1525 Olde William Street	
Owners Name	G. Frank and Margote Wagner	GPIN NUMBER 7779-52-3325
Mailing Address	1525 Olde William Street	
City, State, Zip	Fredericksburg, VA 22401	

Property Address	0 Buckner Street	
Owners Name	G. Frank and Margote Wagner	GPIN NUMBER 7779-52-3448
Mailing Address	1525 Olde William Street	
City, State, Zip	Fredericksburg, VA 22401	

Property Address	1191 Armory Drive	
Owners Name	City of Fredericksburg	GPIN NUMBER 7779-42-9136
Mailing Address	P. O. Box 7447	
City, State, Zip	Fredericksburg, VA 22404	

Property Address	1013 Spotsylvania Avenue	
Owners Name	Ronald L. Hicks	GPIN NUMBER 7779-52-2447
Mailing Address	1107 Westwood Drive	
City, State, Zip	Fredericksburg, VA 22401	

Property Address	0	
Owners Name	Smith Run Center Condominium	GPIN NUMBER 7779-52-0434
Mailing Address	P. O. Box 605	
City, State, Zip	Burgess, VA 22432	

James Newman, AICP, CZO
Zoning Administrator
Planning Services Division
City of Fredericksburg VA



City of Fredericksburg
Planning Services Division
715 Princess Anne Street, Room 209
P.O. Box 7447
Fredericksburg VA 22404

August 18, 2020

Crown Trophy
ATTN: Chris & Linda Hara
11314 Mansfield Club Drive
Fredericksburg VA 22408

Delivered via to email to chara20895@aol.com

Re: SUP For Retail Sales Establishment at 1529 Olde William Street/GPIN 7779-52-2314

Dear Applicant,

Your **Special Exception** application SUP 2020-04 at 1529 Olde William Street has been determined to be incomplete. Please address the following issues:

1. GPIN 7779-52-0434 is not listed on the List of Adjoining Property Owners *- Added To LIST*
2. GPIN 7779-52-0467 is not listed on the List of Adjoining Property Owners *- ALREADY LISTED*
3. GPIN 7779-52-0572 is not listed on the List of Adjoining Property Owners *- ALREADY LISTED*

The following GPINS are on the List of Adjoining Property Owners, but are not required. You do not have to remove them, but you are not required to mail a letter to them:

1. GPIN 7779-52-2682
 2. GPIN 7779-52-0675
 3. GPIN 7779-52-3666
- } Keene Embrey - No MAILING NECESSARY*

I must have this information no later than 4:30pm Tuesday August 18th in order to get you on a September 2020 Planning Commission Meeting. These items must be provided in order to determine your application as complete. If the meantime, if you need further assistance please feel free to contact me at jnewman@fredericksburgva.gov.

Sincerely,

James Newman, AICP, CZO
Zoning Administrator
Planning Services Division
City of Fredericksburg VA

MEMORANDUM

TO: Tim Baroody, City Manager
FROM: Mike Craig, Senior Planner
DATE: October 6, 2020 (for the October 13 meeting)
RE: A Unified Development Ordinance Text Amendment to modify the Commercial Downtown (CD) Zoning District to permit project based residential density within the Old and Historic Fredericksburg Overlay District, clarify the rules on mixed-use projects, and to permit and better define active retail / entertainment uses.



ISSUE

The Area 7 Downtown Small Area Plan identified three key issues with the Commercial Downtown Zoning District:

1. The Historic Downtown is envisioned to be a vibrant and sustainable part of the community but artificial residential density caps inhibit adaptive reuse of historic structures and compatible infill development.
2. The Commercial Downtown zoning district specifies the location and character of “mixed-use,” however, the requirement too broadly requires where active retail is required and too narrowly defines what constitutes an active use.
3. The Historic Downtown is uniquely positioned as a priority area for active retail and entertainment uses and the use definitions and standards need to evolve to clearly permit them.

RECOMMENDATION

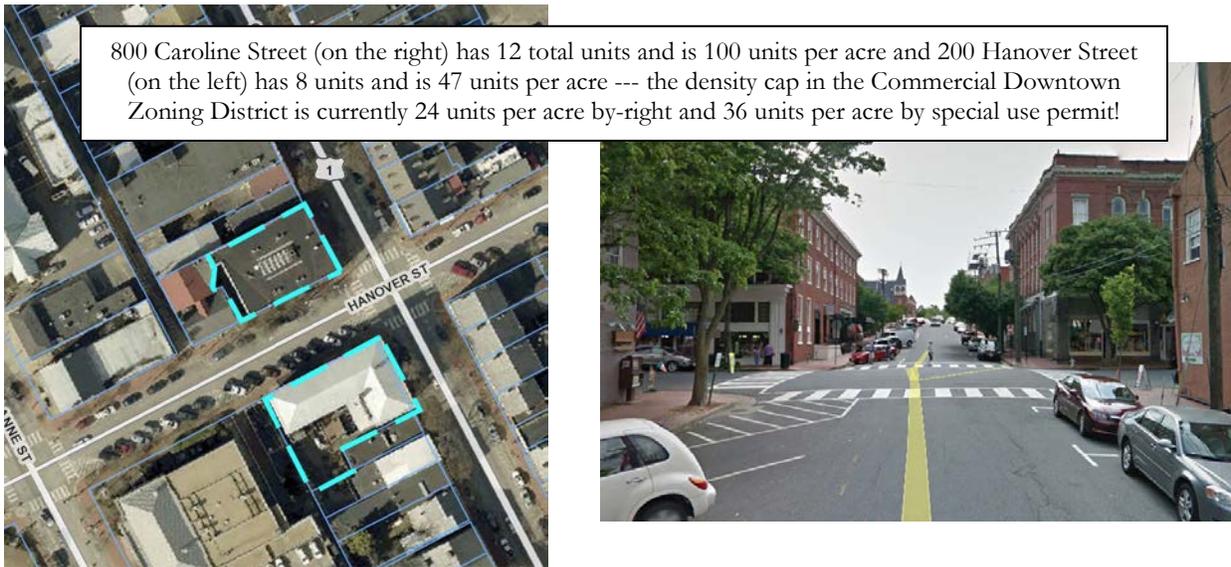
The City Council should initiate the public hearing process to review amendments to the Unified Development Ordinance to address these issues.

BACKGROUND

The Area 7 Downtown Small Area Plan focused on policies to increase the vibrancy and sustainability of the Historic Downtown. Several challenges to this vision were identified.

Sustainable historic patterns of residential use in the Downtown conflict with the residential density caps used in late twentieth century zoning regulations. The limits prohibit desirable levels of adaptive reuse in historic structures, which contributes to demolition by neglect. Also, new construction in the Historic Downtown often require special exceptions to the density limits in order to expand the type of development that creates a healthy mix of uses.

The attached Unified Development Ordinance Text Amendment would permit project based residential density by special use permit within the Old and Historic Fredericksburg Overlay District and increase the by-right residential density in a mixed-use project from 24 to 36 units per acre. To offset any potential impacts, the ordinance requires that any required parking generated by the residential portion of a mixed-use project in the OHFD be provided on private property. Limiting this provision to the Old and Historic Fredericksburg Overlay District is twofold: it will apply it where there is a concentration of historic structures in need of adaptive reuse and will ensure that a project fits into the City’s historic built environment through the Certificate of Appropriateness process.



The “Retail Priority Area” identifies an appropriate area where a sustainable concentration of active, storefront, retail use should be promoted and retained. The current CD Zoning District requires any mixed-use projects fronting on all of William Street or Caroline Street to contain active uses. However, this requirement dilutes the concentration of active uses so that they no longer are prioritized in contiguous blocks. It also adds a regulation prohibiting the leasing of commercial space in areas that would be better suited for office or other non-residential uses. The proposed ordinance would limit the mixed-use requirement for active use to the designated Retail Priority Area. All mixed-use projects would be required to have a minimum 25% use mix under the proposed ordinance.

The current CD Zoning District limits active uses to retail sales, eating, or personal service establishments. The Retail Priority Area should include expanded uses including theaters, indoor recreational uses, etc. that generate foot traffic and otherwise encourage people to visit the Downtown for a multitude of experiences. The proposed ordinance would permit more diverse active uses for mixed-use projects within the Retail Priority Area.

Finally, overtime several desirable uses have been proposed in the CD that were hard to classify under the existing use definitions. Wedding venues and other public assembly uses are a key component of the Downtown destination economy. These uses are closely aligned in the existing ordinance with convention centers, which have associated use standards (like a minimum 5 acre site requirement) associated that would preclude them from being located in the Downtown. One concept for 1010 Caroline Street was a food hall space on the first floor with a vocational chef program on the second floor. Vocational type schools are an experiential “maker” use that is increasingly included in concepts in and around active retail areas but currently requires a special use permit in the CD. Finally, animal grooming is permitted, but veterinary clinic requires a special use permit. The proposed ordinance would permit these uses by-right in CD.

The proposed amendments to the Commercial Downtown Zoning District would be the first set of policies to implement the Area 7 Downtown Small Area Plan. The proposed changes will ensure that the CD will permit the type of vibrant and sustainable infill and reuse envisioned for the Historic Downtown. The City Council should initiate the public hearing process on these amendments.

ATTACHMENTS

1. Conceptual ordinance amendments to the Commercial Downtown Zoning District.
2. Analysis of proposed by-right mixed-use density adjustment

ATTACHMENT 2: ANALYSIS OF RESIDENTIAL DENSITY

The proposed modifications were the subject of a City Council work session on September 8. Two main topics were discussed during the meeting: whether the by-right residential densities in the Downtown should be increased to meet the City’s sustainability and economic development goals and whether or not there is sufficient infrastructure in the historic Downtown to accommodate more vibrant uses. The staff report will provide additional information on this topic and then provide information on the proposed changes related to active retail and entertainment uses for the benefit of the public.

EXISTING AND PROPOSED RESIDENTIAL DENSITY

One of the key issues identified by the Area 7 Downtown Small Area Plan was the Historic Downtown is envisioned to be a vibrant and sustainable part of the community but the existing residential density caps within the Commercial Downtown Zoning District inhibit adaptive reuse of historic structures and compatible infill development.

The Area 7 Downtown Plan anticipates a modest increase in the vibrancy of established uses in the Downtown. The T-5 “Urban Core” Transect, for example, is described as “a high density of both a horizontal and vertical mix of uses to accommodate retail, office, and a variety of housing types. Emphasis in this transect is on defining the public realm with building facades. Form and architectural compatibility should control the intensity of use” (Comprehensive Plan pg. 10-10). The plan identifies the T-5 Urban Core Transect as appropriate for up to 36 units per acre by-right with higher densities possible under special review and a commercial floor area ratio of up to 3.0 (Comprehensive Plan pg. 10-20).

One of the main goals of this effort is to better align the zoning ordinance with the historical patterns of development upon which they were overlain. One expected outcome is that right-sizing the zoning will help prevent demolition by neglect of aging structures by legalizing the level of use for which they were originally designed. After the work session the Planning Staff analyzed the effect of permitting some increased level of by-right density within the Commercial Downtown Zoning District. The analysis was limited to the areas of Commercial Downtown zoning within the Old and Historic Overlay District (OHFD). The following table and maps illustrate our findings:

By-Right Residential Densities in the Commercial Downtown and OHFD		
	<i>Existing Density</i>	<i>Proposed Density</i>
Single Family Detached / Attached By-Right	12 units per acre	12 units per acre
Multifamily By-Right	18 units per acre	18 units per acre
Mixed Use By-Right	24 units per acre	36 units per acre

There are 315 parcels within the Commercial excluding City ownership, churches, floodplain properties, recently completed projects (Parkview and Frederick Street Lofts) / townhome developments (Riverview and Lafayette Station), properties that will still remain non-conforming in terms of density (Heflin Apartments / Galleria), and properties within the Railroad Station Overlay District. Due to the small size of the parcels in the Historic Downtown, 69 of those parcels would have no change in permitted units, 208 would be permitted 1-2 additional units, 25 would be permitted

3-4 additional units, 9 would be permitted 5-10 additional units, and 3 would be permitted 10-13 additional units. The Post Office parcel is an outlier due to its size (2 + acres bigger than any other parcel), that would be permitted an additional 38 units under this ordinance.

The effect of changing the by-right mixed-use residential density level would vary based on the type of urban fabric. Along Caroline and William Streets, the lots are more finely grained and nearly filled by the historic structures they contain. Increasing the by-right mixed-use density would provide an extra unit or two that could be put towards adaptive reuse of the second and third floors. Renovating historic structures does not require additional parking, which is balanced by the modest level of additional use that would be permitted in the existing buildings.

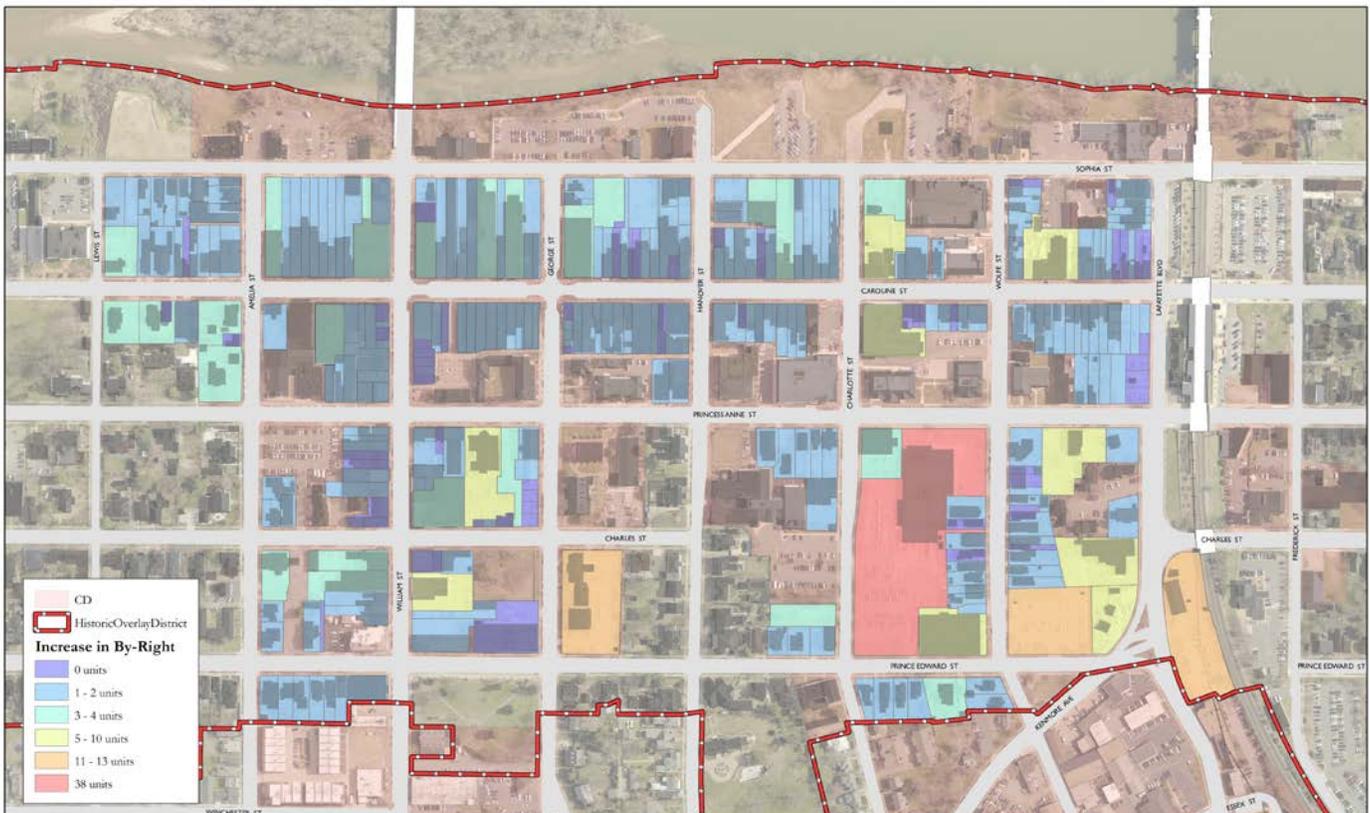
Larger parcels exist around the intersection of Kenmore Avenue, Prince Edward Street, and Lafayette Boulevard. This is the location of the parking lot at the corner of Prince Edward and Wolfe, the Colonial Tavern, and Lafayette Station. The fabric in those areas is fragmented by large parking lots, which would be suitable locations for infill. The increase in by-right use results in 5 to 13 additional units per parcel.

By-right density increase is an incremental step, but still doesn't fully rectify the mismatch between existing use pattern / sustainable urban fabric and existing zoning limits. Within the OHFD, a special use permit process is proposed for residential projects to achieve higher densities on a case by case basis.

Two potential externalities were identified as a result of the analysis: architectural compatibility, car storage, and impacts to other public facilities:

By-Right Increase in Mixed-Use Permitted Units 24 to 36 Units Per Acre

Historic Fredericksburg District - Downtown



- Architectural Compatibility --- The change in the by-right permitted density would be limited to the OHFD. The OHFD is an intense regulatory environment that both requires the preservation of historic structures and ensures that new infill is compatible to the historic built environment.
- Car storage --- According to the Walker Parking Action Plan “the City of Fredericksburg does not have a parking supply problem” but does have “a parking perception problem” (page iv). Specifically, this change would occur in the Parking Area ‘A’ Core Retail and ‘B’ Downtown Service established in the report. The parking supply in those areas has substantial excess capacity at both the weekend and weekday peak. However, the supply of on-street parking immediately in front of popular destinations is highly sought after and used regularly.

Protecting the public parking supply within the OHFD is a legitimate concern when discussing increased use. The proposed ordinance has been modified to state that the required residential parking for any mixed-use project in the CD AND OHFD must be provided on private property. The adaptive reuse of historic structures is exempt from parking requirements, however, new construction must provide parking. Our ordinance currently permits the counting of adjacent public spaces towards that requirement. The proposed change would be responsive to Council’s focus on the public parking supply but would be nuanced enough that it would not prohibit the adaptive reuse of structures and would not unduly restrict reasonable infill development.

-Impacts to other public facilities --- The number of units that could be developed under this proposal, while valuable to each individual lot, are overall limited. The proposed by-right change would be permitted for mixed-use projects only, which would ensure a balance between residential and non-residential development in the Downtown. The proposed ordinance does include a provision for case by case review of additional residential density by special use permit. The review criteria for special use permits within § 72-22.6.D(2) is a review of potential adverse impacts created by:

- (a) Traffic or parking congestion;
- (b) Noise, lights, dust, odor, fumes, vibration, and other factors which adversely affect the natural environment;
- (c) Discouragement of economic development activities that may provide desirable employment or enlarge the tax base;
- (d) Undue density of population or intensity of use in relation to the community facilities existing or available;
- (e) Reduction in the availability of affordable housing in the neighborhood;
- (f) Impact on school population and facilities;
- (g) Destruction of or encroachment upon conservation or historic districts;
- (h) Conformity with federal, state and local laws, as demonstrated and certified by the applicant; and
- (i) Massing and scale of the project.

Changing the by-right level of mixed-use residential density from 24 to 36 units per acre and providing the special use permit process would achieve the goals and vision of the Area 7 Downtown Plan.



MOTION:

DRAFT
[Date]
Regular Meeting
Ordinance No. 20-__

SECOND:

RE: Amending the Unified Development Ordinance §72-32.2, Commercial Downtown District, §72-40.2, Use Table, §72-41.2 Institutional Uses, §72-53.1 Off-Street Parking and Loading, and §72-84 Definitions, to Modify the Commercial Downtown (CD) Zoning District Regulations to Permit Additional Project-Based Residential Density, Clarify Rules for Mixed-Use Projects, and Update Permitted Uses.

ACTION: APPROVED: Ayes: 0; Nays: 0

FIRST READ: _____ **SECOND READ:** _____

Section I. Introduction.

The purpose of these amendments is to update Unified Development Ordinance regulations for the Commercial Downtown (CD) Zoning District, consistent with the policies set forth in the Area 7 Downtown Small Area Plan.

The amendments will permit additional project-based residential density to encourage adaptive reuse of historic structures and compatible infill development within the Old and Historic Fredericksburg Overlay District and adjust off-street parking requirements to mitigate potential impacts from increased residential development. They will also update the mixed-use regulations within the CD zoning district to clarify the requirements and promote active uses in the Retail Priority Area. Finally, this ordinance will better define and expand the types of active retail and entertainment uses that are permitted district-wide.

The City Council adopted a resolution to initiate this text amendment at its meeting on October 13, 2020. The Planning Commission held its public hearing on the amendment on _____, after which it voted to recommend the amendment to the City Council. The City Council held its public hearing on this amendment on _____.

In adopting this ordinance, the City Council has considered the factors listed in Code of Virginia § 15.2-2284. The City Council has determined that public necessity, convenience, general welfare, and good zoning practice favor the amendments.

Section II. City Code Amendment.

1. Article 72-3, Zoning Districts, Section 72-32.2, Commercial-Downtown District, of the Fredericksburg City Code, is hereby amended to add the underlined language and delete the language shown in strikethrough as follows:

§ 72-32.2 Commercial – Downtown District

[Subsection A is not amended]

B. Dimensional standards.

Standard	<u>Residential Single-family attached or detached</u>	<u>Multifamily</u>	<u>Mixed-Use</u>	<u>Nonresidential</u>
Residential Density, Maximum by Right	12 single-family attached or detached by right <u>units per acre</u>	<u>18 units per acre</u>	<u>24 units per acre generally; 36 units per acre within the HFD by right or 36 by special use permit</u>	N/A
<u>Residential Density by Special Use Permit outside the HFD</u>	<u>N/A</u>	<u>N/A</u>	<u>36 Units per acre</u>	<u>N/A</u>
<u>Residential Density by Special Use Permit within the HFD</u>	<u>City Council may approve additional residential density by special use permit subject to the requirements of subsection C, Performance Criteria for Residential Projects.</u>			
Nonresidential FAR, Maximum	N/A	N/A	3.0	2.5
Lot Area, Minimum (square feet)	Commercial lot areas shall generally conform to the areas of existing lots in the commercial portions of the HFD Overlay District; otherwise, none			
Lot Width, Minimum (feet)	None			
Front Setback, Minimum (feet)	Conform to the front yard setbacks of adjacent structures			
Side Setback, Minimum (feet)	15 when adjacent to a residential district; otherwise, none			
Rear Setback, Minimum (feet)	25 when adjacent to a residential district; otherwise, none			
Open Space Set-Aside, Minimum (%)	None			
Height, Maximum (feet)	50		50	50

C. Performance Criteria for Residential Projects. Any residential development in the Old and Historic Fredericksburg Overlay District that requires a special use permit shall be subject to the following performance criteria:

(1) If a proposed development is located in the “Retail Priority Area” as described in the Area 7 Downtown Plan then it shall be a mixed-use development in accordance with subsection D below.

(2) The City Council shall consider, in addition to other relevant factors, whether the proposed development includes appropriate provisions for archaeology, historic interpretation, or enhanced open space.

D. Mixed-use regulations.

~~(1) — At least 30% of the gross floor area of the ground floor of a mixed-use structure shall be devoted to a commercial use or uses; except this number is reduced to 15% for a mixed-use structure located in the one-hundred-year floodplain. For structures with a front or side façade on William or Caroline Street, the minimum commercial use requirement shall be met by one or more retail sales, eating, or personal services establishments uses. The gross ground-floor area devoted to a commercial use or uses shall not be included in the determination of the structure's floor area ratio.~~

~~(2) — At least 25% of the total gross floor area of a mixed-use structure, or of all structures on a mixed-use site, shall be devoted to either residential or nonresidential uses. This requirement, however, does not apply to a mixed-use structure that includes a residential use, with a residential density of 24 units per acre or less.~~

- (1) A mixed-use structure, or the combination of structures collectively situated on a mixed-use site, shall meet the definition of a mixed-use development set forth in § 72-84 of this code.
- (2) Within the “Retail Priority Area” established in the Area 7 Downtown Small Area Plan (fronting on Caroline Street between Amelia Street and Wolfe Street, or fronting on William Street between Caroline Street and Charles Street), at least 30% of the gross floor area of the ground floor of (1) a mixed-use structure, or (2) all structures on a mixed-use site that front on these streets, shall consist of uses in the Retail and Consumer use group, as defined in § 72-84 of this code.

2. Article 72-4, Use Standards, Sections 72-40.2, Use Table, and 72-41.2 Institutional uses, are hereby amended to add the underlined language and delete the language shown in strikethrough as follows:

§ 72-40.2 Use Table.

Use Category	Use Type	C-D	Additional Requirements
Institutional Uses			
Educational Facilities	Vocational or Trade School	▲ <u>P</u>	
Institutions	<u>Assembly Hall</u>	<u>P</u>	
	Auditorium, Conference, and Convention Center	S	§ 72-41.2A
Commercial Uses			

Animal Care	Veterinary Clinic	§ P	§ 72-41.3B
Recreation, Indoor	Recreation, Indoor	§ P	
Retail Sales and Services	Historic Dependency Limited Office/Retail	§ P	§ 72-41.3K

§ 72-41.2 Institutional uses.

~~A. Auditorium, Conference and Convention center (new). Auditoriums, Conference and Convention centers shall comply with the following standards:~~

- (1) The parcel or site shall have an area of at least five acres.
- (2) The building shall be located at least 500 feet from any R-2, R-4, or R-8 Residential Zoning District.
- (3) Dining and banquet facilities may be provided for employees, trainees, and conferees, provided the gross floor area devoted to such facilities does not exceed 50% of the total floor area of the principal building.
- (4) On-site recreational facilities may be provided for use by employees, trainees, or conferees.

3. Article 72-5, Development Standards, Section 72-53.1 Off-Street Parking and Loading, is hereby amended to add the underlined language and delete the language shown in strikethrough as follows:

[Subsection A is not amended]

B. Applicability.

(1) General. These off-street parking and loading standards shall apply with respect to the use of land, buildings and structures within the City.

(2) Exemptions. The following activities are exempt from the requirements of this § 72-53.1:

- (a) Re-striping an existing parking lot, which does not create a deficit in the number of required parking spaces, or other nonconformity with the requirements of this § 72-53.1;
- (b) Rehabilitation or re-use of an historic building;
- (c) A lot of record, vacant or otherwise, that existed on or before April 25, 1984, and has a residential zoning designation on the Zoning Map;
- (d) On-street parking that directly abuts a lot may be credited once to the off-street parking requirements for the abutting lot, except that no such credit may be applied to the off-street parking requirements for residential portions of mixed-use developments in the HFD. The Zoning Administrator shall maintain a record of all on-street parking spaces that have been credited towards any particular lot; and
- (e) Changes in use shall be exempted from the requirement to provide additional on-site parking spaces beyond those that existed prior to the change in use.

§ 72-53.1C(2) Minimum Off-Street Parking Standards

Use Category	Use Type	Minimum Number of PS
Institutions	<u>Assembly Hall</u>	1 per every 400 sf
	Auditorium, Conference and Convention center	1 per every 400 sf

4. Article 72-8, Definitions and Interpretations, Section 72-84, Definitions, is hereby amended to add the underlined language and delete the language shown in strikethrough as follows:

§ 72-84 Definitions

AUDITORIUM~~ASSEMBLY HALL~~

A building or structure designed or intended for use for spectator sports, entertainment events, expositions, conferences, seminars, product displays, recreation activities, wedding venues or receptions, and other public gatherings, all occurring inside a structure typically limited to a capacity of fewer than 500 300 or ~~fewer seats~~ occupants, along with accessory functions including temporary outdoor displays, and food and beverage preparation and service for on-premises consumption.

CONVENTION CENTER

A facility designed to accommodate ~~500~~ 300 or more persons and used for conventions, conferences, seminars, product displays, recreation activities, and entertainment functions, along with accessory functions including temporary outdoor displays, and food and beverage preparation and service for on-premise consumption. Similar structures with a capacity of less than ~~500~~ 300 people are assembly hall ~~auditorium or conference center~~-uses.

RECREATION, INDOOR

A private indoor (entirely within an enclosed structure) use providing for sport and recreation activities that are operated or carried on primarily for financial gain. Examples of indoor commercial recreation uses include, but are not limited to, ~~fitness centers~~, bowling alleys, dancehalls, skating rinks, indoor commercial swimming pools, and racquet and tennis club facilities (indoor).

MIXED-USE DEVELOPMENT

A tract of land or structure developed for two or more different ~~uses, such as, but not limited to, residential, office, retail, institutional, public, or entertainment. Such uses are functionally integrated and share vehicular use areas, ingress/egress, and pedestrian~~

access-use groups from the following list:

- (1) Residential (including all Residential use categories);
- (2) Lodging (including the Visitor Accommodations use category);
- (3) Office and Educational (including the Offices, Health Care Facilities, Educational Facilities, and Government Facilities use categories);
- (4) Retail and Consumer (including Alcoholic Beverage Production, Eating Establishments, Indoor Recreation, and Retail Sales and Services use categories and Light Manufacturing in the Creative Maker District).

In a mixed-use development, no single use group shall make up more than 75% of the total gross floor area of the development, and all uses are functionally integrated and share vehicular use areas, ingress and egress, and pedestrian access.

Section III. Effective date.

This ordinance becomes effective immediately.

Votes:

Ayes:

Nays:

Absent from Vote:

Absent from Meeting:

Approved as to form:

Kathleen Dooley, City Attorney

Clerk's Certificate

I, the undersigned, certify that I am Clerk of Council of the City of Fredericksburg, Virginia, and that the foregoing is a true copy of Ordinance No. 20- duly adopted at a meeting of the City Council meeting held Date, 2020 at which a quorum was present and voted.

Tonya B. Lacey, CMC
Clerk of Council



MOTION:

October 13, 2020
Regular Meeting
Resolution 20-__

SECOND:

RE: Initiating Amendments to the Unified Development Ordinance, §72-32.2, Commercial Downtown District, §72-40.2, Use Table, §72-41.2 Institutional Uses, §72-53.1 Off-Street Parking and Loading, and §72-84 Definitions, to Modify the Commercial Downtown (CD) Zoning District Regulations to Permit Project-Based Residential Density, Clarify Rules for Mixed-Use Projects, and Update Permitted Uses.

ACTION: APPROVED: Ayes: 0; Nays: 0

The purpose of these amendments is to update Unified Development Ordinance regulations for the Commercial Downtown (CD) Zoning District, consistent with the policies set forth in the Area 7 Downtown Small Area Plan.

The proposed amendments will permit additional project-based residential density to encourage adaptive reuse of historic structures and compatible infill development within the Old and Historic Fredericksburg Overlay District and adjust off-street parking requirements to mitigate potential impacts from increased residential development. They will also update the mixed-use regulations within the CD zoning district to clarify the requirements and promote active uses in the Retail Priority Area. Finally, this ordinance will better define and expand the types of active retail and entertainment uses that are permitted district-wide.

In initiating these amendments, the City Council has considered the factors listed in Code of Virginia § 15.2-2284. The City Council has determined that public necessity, convenience, general welfare, and good zoning practice favor the amendments.

Therefore, the City Council hereby resolves that:

- The City Council initiates amendments to City Code Chapter 72, the Unified Development Ordinance, as described above.
- The City Council refers this proposal to the Planning Commission for review, public hearing, and recommendation under the procedures set forth in City Code § 72-22.1.

Votes:

Ayes:

Nays:

Absent from Vote:

Absent from Meeting:

Clerk's Certificate

I certify that I am Clerk of Council of the City of Fredericksburg, Virginia, and that the foregoing is a true copy of Resolution No. 20-__, adopted at a meeting of the City Council held September 22, 2020, at which a quorum was present and voted.

Tonya B. Lacey, MMC
Clerk of Council



MEMORANDUM

TO: Timothy J. Baroody, City Manager
FROM: Susanna Finn, Community Development Planner,
Chuck Johnston, Community Planning and Building Director
DATE: October 5, 2020 (for the October 13 Council Meeting)
RE: Planning Commission Membership Terms and Qualifications

ISSUE

Should the City Council amend the City Code §10-333 to adjust appointment procedures and membership qualifications for the Fredericksburg Planning Commission to allow for staggered terms and reduce the number of Planning Commission members who are required to own real property?

BACKGROUND

The ordinance proposes two changes to the City Code to adjust appointment procedures and alter membership requirements for the Fredericksburg Planning Commission.

The first change will authorize the appointment of planning commissioners for staggered terms. Over the years, the terms of the commissioners have become aligned so that the current terms of three members—nearly half the body—will expire this year. The potential turnover of multiple members at once could be disruptive to the continuity of the Commission, which relies on smooth member transitions.

The second amendment will modify the existing requirement that all Planning Commission members shall be “freeholders.” Currently a City resident who does not own real estate within City limits cannot qualify to serve on the Planning Commission. This is a City requirement that is not found in state law. Virginia Code §15.2-2212 requires only one-half of the members of a locality’s planning commission to be owners of real property. The proposed change would be consistent with what state law requires.

RECOMMENDATION

Following the electronic meeting procedures, these ordinance amendments should be approved on the October 27th meeting. This would allow any new appointments to the Planning Commission for the upcoming terms to fall under these qualifications and term designations.

Attachment: Ordinance



October 13, 2020
Regular Meeting
Ordinance No. 20-__

MOTION:

SECOND:

RE: Amending City Code §10-333 to Adjust Appointment Procedures and Membership Qualifications for the Fredericksburg Planning Commission to Allow for Staggered Terms and Reduce the Number of Planning Commission Members who are Required to Own Real Property

ACTION: APPROVED: Ayes: 0; Nays: 0

It is hereby ordained by the Fredericksburg City Council that City Code Chapter 10 is amended as follows:

I. Introduction

This ordinance proposes to make two updates to the membership requirements and appointment procedures of the City Planning Commission. The first will authorize the appointment of planning commissioners for staggered terms. Over the years, the terms of the commissioners have become aligned so that the current terms of three members—nearly half the body—will expire this year. The potential turnover of multiple members at once could be disruptive to the continuity of the Commission, which relies on smooth member transitions.

The second amendment will modify the existing requirement that all Planning Commission members shall be “freeholders.” Currently a City resident who does not own real estate within City limits cannot qualify to serve on the Planning Commission. This is a City requirement that is not found in state law. Virginia Code §15.2-2212 requires only one-half of the members of a locality’s planning commission to be owners of real property. The proposed change would be consistent with what state law requires.

II. City Code Amendments.

1. Fredericksburg City Code Chapter 10, “Agencies, Authorities, Boards, Commissions and Committees,” Article II, “Citywide Bodies,” Division 15, “Planning Commission of the City of Fredericksburg,” Section 10-333, “Membership; officers,” is amended by adding the underlined language and deleting the language shown in strikethrough as follows:

§ 10-333 Membership; officers.

- A. The Planning Commission shall consist of seven members appointed by the City Council, all of whom shall be residents of ~~and freeholders in~~ the City, qualified by knowledge and experience to make decisions on questions of community growth and development. At least four of the members shall be owners of real property.
- B. Each member of the Planning Commission shall take an oath of office.
- C. The members currently in office shall continue to serve for the balance of their existing terms.

Subsequent appointments shall be made for terms of four years each, except that an appointment of modified term length may be made for the purpose of staggering term expiration dates.

- D. One member of the Planning Commission may be a member of the City Council, and one member may be a member of the administrative branch of government of the City.
- E. The Zoning Administrator shall attend all regular and special meetings of the Planning Commission, and participate in the discussions and other activities of the commission, but shall not have the power to vote.
- F. Members of the Planning Commission may be removed by the City Council for malfeasance in office, provided that such removal may be only after a public hearing at which such member is given an opportunity to hear and to be heard on the charges against him.
- G. All members of the Planning Commission shall serve as such without compensation.
- H. Any vacancy in the membership of the Planning Commission shall be filled by the City Council for the unexpired term only.
- I. The Planning Commission at its first monthly meeting in October shall elect a chair, a vice-chair and a secretary from its appointed members, whose terms of office shall be for one year, and who shall be eligible for reelection.
- J. All members of the Planning Commission shall successfully complete the Virginia Certified Planning Commissioner's Program within one year from the time of appointment. The costs of attending the program shall be borne by the City.

SEC. III. Effective Date.

This ordinance is effective immediately.

Votes:

Ayes:

Nays:

Absent from Vote:

Absent from Meeting:

Approved as to form:

Kathleen Dooley, City Attorney

Clerk's Certificate

I, the undersigned, certify that I am Clerk of Council of the City of Fredericksburg, Virginia, and that the foregoing is a true copy of Ordinance No. 20- duly adopted at a meeting of the City Council meeting held October 27, 2020 at which a quorum was present and voted.

Tonya B. Lacey, MMC
Clerk of Council



MEMORANDUM

TO: Fredericksburg City Council

FROM: Kathleen Dooley, City Attorney

DATE: October 8, 2020

RE: Continuity of Government during the COVID-19 Pandemic
Public bodies resuming in-person meetings
Authorization for remote participation by members

Issue:

Should the City Council amend the Continuity of Government ordinance (Ord. 20-05) to address remote participation by members of public boards and commissions, when a quorum of the board or commission has resumed in-person meetings?

Recommendation:

Yes. While public bodies continue to be authorized to meet by electronic means, some are considering meeting with a quorum physically assembled. If this happens, then there should be clear authority for some members of the public body to continue to participate in the meeting by remote means during the COVID-19 pandemic. The proposed amendment will advance the public interest in continuity in government during the pandemic, in a manner consistent with the core principles of open government and transparency of the Virginia Freedom of Information Act.

The Virginia Freedom of Information Act authorizes public bodies to adopt policies to permit remote participation in a meeting (call in or videoconference) by any member when a “medical condition” prevents his or her physical attendance at a meeting. This existing law is broad enough to cover the many medical conditions that place an individual at a higher risk for serious complications from COVID-19 according to the CDC (e.g. cancer, chronic kidney disease, etc.).

However, as broad as the “medical condition” category may be, it would not seem to be broad enough to cover age – the CDC advises that “[a]s you get older, your risk for severe illness from COVID-19 increases. For example, people in their 50s are at higher risk for severe illness than people in their 40s. Similarly, people in their 60s or 70s are, in general, at higher risk for severe illness than people in their 50s. The greatest risk for severe illness from COVID-19 is among those aged 85 or older.”

Nor is the “medical condition” category broad enough to include individuals who wish to call in because they are concerned about the risk they pose to others (e.g. because of the number of people they encounter every day) or who simply wish to manage their risk and the community’s at this time

by continuing to avoid gathering with others. When a quorum of a public body resumes meeting in-person, these members must choose between continued public service and their health risk assessment.

City Council adopted Ordinance 20-05 in order to provide continuity in government, “notwithstanding any law, general or special,” under Va. Code §15.2-1413. The proposal is to use this same authority to provide for continued public service by appointed or elected members of public bodies, during the pendency of the COVID-19 pandemic disaster. Under the ordinance as proposed, Public Entities would be required to adopt a policy, apply the policy even-handedly, and then review the policy in six months.

In addition, the proposed ordinance would require Public Entities to continue to provide public access and participation to meetings through electronic means, even if the public body itself has returned to in-person meetings. Many members of the public will be reluctant to attend meetings; seating capacity is limited. It will be very important to continue to meet the core principles of open and transparent government even if a public body resumes meeting in person.

Background:

• **Virginia Freedom of Information Act – general rules:**

As a general rule, the Virginia Freedom of Information Act requires meetings of public bodies to be conducted in-person: “No meeting shall be conducted through telephonic, video, electronic or other electronic communication means where the members are not physically assembled to discuss or transact public business, except as provided in §2.2-3708.2.”

One exception to this rule is provided in Va. Code §2.2-3708.2, which permits any member to join a meeting by telephone or videoconference when the member is unable to attend “due to a personal matter.” The member is required to identify “with specificity” the nature of the “personal matter.” Remote participation by a member due to a “personal matter” is limited to two meetings per calendar year.

A second exception, also provided in Va. Code §2.2-3708.2, permits any member to join a meeting by telephone or videoconference when the member is unable to attend “due to a temporary or permanent disability or other medical condition that prevents the member’s physical attendance.” The medical condition could be the member’s own medical condition, or that of a family or household member. A member who participates in a meeting by telephone or videoconference due to a medical condition is not required to identify with specificity the nature of the medical condition. Remote participation due to a “medical condition” is unlimited as to the number of meetings per calendar year. The permission is in place as long as the medical condition prevents the member’s attendance at a meeting.

In any case, “remote participation” is only authorized when the public body has adopted a written policy allowing for and governing participation of its members by telephone or videoconference. The public body must then apply the policy “strictly and uniformly, without exception, to the entire membership and without regard to the identity of the member requesting remote participation or the matters that will be considered or voted on at the meeting.”

- **Virginia Freedom of Information Act – Pandemic measures:**

The 2020 General Assembly adopted a budget amendment addressing public meeting during the pandemic. This new law, Amendment 28 to HB29 (Torian, 2020) effectively permits any public body to meet by electronic communication means during the pendency of the pandemic public health emergency, and to discuss or transact “the business statutorily required or necessary to continue operations of the public body . . . and the discharge of its lawful purposes, duties, and responsibilities.” In other words, this amendment lifts FOIA’s restriction of business to matters that “address the emergency.” However, Amendment 28 did not override FOIA’s “remote participation” rules, stating that “public bodies must otherwise comply with the provisions of §2.2-3708.2 of the Code of Virginia.”

- **COVID-19 Hierarchy of Controls – safety measures:**

Federal and state agencies have developed safety protocols to reduce the spread of COVID-19. One helpful illustration of these protocols is the attached “hierarchy of controls” poster developed by M.C. Dean, Inc., dated April 9, 2020, attached. Telework is classified as a risk “elimination,” and virtual meetings are classified as a risk “substitution,” on this illustration. Risk elimination and substitution are more effective than engineering (e.g. physical partitions), administrative (e.g. foot traffic patterns) or personal protective equipment (e.g. face coverings) controls.

- **Risk factors for serious complications from COVID-19:**

The CDC warns that “everyone is at risk for getting COVID-19 if they are exposed to the virus. Some people are more likely than others to become severely ill, which means that they may require hospitalization, intensive care, or a ventilator to help them breathe, or they may even die.” According to the CDC, “[a]s you get older, your risk for severe illness from COVID-19 increases. For example, people in their 50s are at higher risk for severe illness than people in their 40s. Similarly, people in their 60s or 70s are, in general, at higher risk for severe illness than people in their 50s. The greatest risk for severe illness from COVID-19 is among those aged 85 or older.”

People with certain medical conditions are also at higher risk for serious complications from COVID-19, according to the CDC. People of any age with the following conditions are at increased risk of severe illness from COVID-19:

- Cancer
- Chronic kidney disease
- COPD (chronic obstructive pulmonary disease)
- Immunocompromised state (weakened immune system) from solid organ transplant
- Obesity (body mass index [BMI] of 30 or higher)
- Serious heart conditions, such as heart failure, coronary artery disease, or cardiomyopathies;
- Sickle cell disease
- Type 2 diabetes mellitus

The CDC continues to warn that “COVID-19 is a new disease.” Accordingly, it advises that “based on what we know at this time, people with the following conditions might be at an increased risk for severe illness from COVID-19:

- Asthma (moderate to severe)
- Cerebrovascular disease (affects blood vessels and blood supply to the brain)
- Cystic fibrosis
- Hypertension or high blood pressure

- Immunocompromised state (weakened immune system) from blood or bone marrow transplant, immune deficiencies, HIV, use of corticosteroids, or use of other immune weakening medicines
- Neurologic conditions, such as dementia
- Liver disease
- Pregnancy
- Pulmonary fibrosis (having damaged or scarred lung tissues)
- Smoking
- Thalassemia (a type of blood disorder)
- Type 1 diabetes mellitus

- **Return to in-person meetings:**

As public buildings and meeting rooms are outfitted with safety controls, some boards and commissions are resuming, or planning to resume, in-person meetings, that is, meetings with a quorum physically assembled. However, it is typical that not all members of the public body are prepared to return to the in-person meeting environment, and risk “elimination” or “substitution” (including telework and virtual meetings) remain the most effective safety measures for the pandemic.

Thus, members who do not wish to risk their health or others’ by a return to the in-person meeting format could use the “personal matter” grounds for remote participation, but it is limited to two times per calendar year.

- **Continuity of government authority – adoption of Ordinance 20-05:**

Virginia Code §15.2-1413 provides that a locality may, by ordinance, provide a method to assure continuity of government in the event of a disaster, notwithstanding any contrary provision of law, for a period not to exceed six months after any such disaster. Fredericksburg City Council adopted an ordinance pursuant to this authority on April 7, 2020, Ordinance 20-05. This ordinance included City Council’s finding that the COVID-19 pandemic makes it unsafe to physically assemble in one location a quorum for public bodies, including the Council, School Board, Planning Commission, Board of Zoning Appeals, Architectural Review Board, Economic Development Authority, the Rappahannock Regional Solid Waste Board, and all other local and regional boards, commissions, committees and authorities created by the Council or to which the Council appoints all or a portion of its members (collectively “Public Entities” and individually “Public Entity.”)

On the basis of this finding, Ordinance 20-05 authorizes any meeting of a Public Entity to be held through real-time electronic means, including audio, telephonic, video, or other practical electronic medium, without a quorum physically present in one location. The purpose of these meetings, and the business to be conducted, is not limited to matters “to address the emergency” as would be the case under Va. Code §2.2-3708.2. The ordinance does not amend the “remote participation” provisions of Va. Code §2.2-3708.2.

Ordinance 20-05 remains in full force and effect, unless amended, readopted, or repealed by City Council, for a period not exceeding 6 months after the end of the COVID-19 disaster. Neither the Governor nor the City Council has declared the end of the COVID-19 disaster as of this date. The end of the COVID-19 disaster is not in sight at this time, as reviewed above. Ordinance 20-05 was adopted a few weeks before the General Assembly adopted Amendment 28, but is consistent with the new, clarified authority.

- **Continuity of government – proposed amendment to Ord. 20-05:**

The proposed amendment to Ordinance 20-05 pulls all of the foregoing considerations together, in order to provide authority for those Public Entities that decide to resume in-person meetings to permit their members the option of continuing to participate by remote participation means. The proposed ordinance requires these Public Entities to adopt or amend their remote participation policy to provide this authority on an even-handed basis.

- **Continued public access to meetings with a quorum physically assembled:**

Any public body that begins to meet with a quorum physically assembled should continue to provide public access to the meeting by the use of audio and video technology, in addition to in-person attendance at the meeting. Members of the public will have the same concerns about attending a meeting in person as members of the public body do. And the seating capacity of meeting rooms is reduced as a result of social distancing requirements. Therefore, a return of a quorum of a public body to the meeting room should not signal the end of public access to the meeting by the electronic means that have been in use for electronic meetings.

- **Template remote participation policy:**

The ordinance, if adopted by City Council, would authorize Public Entities to adopt or amend their remote participation written policy. A proposed draft revision, offered as a template, is attached.



October 13, 2020
Regular Meeting
Ordinance No. 20-__

MOTION:

SECOND:

RE: Authorizing Remote Participation Policies for In-Person Meetings During the COVID-19 Pandemic; Providing for Continuing Public Access to, and Participation in, Public Meetings

ACTION: APPROVED: Ayes: 0; Nays: 0

FIRST READ: _____ **SECOND READ:** _____

IT IS HEREBY ORDAINED by the Fredericksburg City Council:

Article I. Purpose.

Fredericksburg City Council adopted Ordinance 20-05, An Ordinance to Address Continuity of City Government during the Pendency of a Pandemic Disaster, at a Special Meeting on April 7, 2020. City Council adopted the ordinance under special authority provided under Virginia Code §15.2-1413, which provides that a locality may, by ordinance, provide a method to assure continuity of government in the event of a disaster, notwithstanding any contrary provision of law, for a period not to exceed six months after any such disaster.

Among other things, Ordinance 20-05 authorized any meeting of Public Entities to be held through real-time electronic means, including audio, telephonic, video, or other practical electronic medium, without a quorum physically present in one location. Ordinance 20-05 defined “Public Entities” to mean “public bodies, including the Council, the School Board, the Planning Commission, Board of Zoning Appeals, Architectural Review Board, Economic Development Authority, the Rappahannock Regional Solid Waste Management Board, and all other local and regional boards, commissions, committees and authorities created by the Council or to which the Council appoints all or a portion of its members (collectively ‘Public Entities’ and individually ‘Public Entity’).”

In order to further provide for the continuity of government during the COVID-19 pandemic, City Council now wishes to authorize Public Entities to adopt or amend policies for remote participation in meetings under Va. Code §2.2-3708.2, to authorize remote participation under the “temporary medical condition” grounds, for reasons related to COVID-19 risk exposure. City Council continues to recommend the Public Entities meet by electronic communication means. However, when any Public

Entity decides to resume meeting with a quorum physically assembled, the new authorized policy will permit continued public service by members who do not feel it is advisable to join the meeting in-person.

Any resumption in in-person meetings will continue to provide for public access and participation under the requirements of Ordinance 20-05, in order to advance the core principles of open government and transparency.

It is therefore ordained by the Fredericksburg City Council that Ordinance 20-05, Article III, “Remote Public Meetings,” is amended by adding a new Section 5, as follows:

Article III. Remote Public Meetings.

[Sections 1 through 4 are not amended.]

Section 5. Policies for remote participation by members in in-person meetings; continued use of audio and video technology for public access, public hearings, and public comments.

5-1. Any Public Entity may adopt or amend a written policy allowing for and governing participation of its members by electronic communication means, in meetings where a quorum of the Public Entity is physically assembled (in-person), as provided by the Virginia Freedom of Information Act, Va. Code §2.2-3708.2(C). The policy may recognize and treat any member’s decision to participate by electronic communication means as a risk-mitigation control measure for the spread of COVID-19 as a “temporary medical condition that prevents the member’s physical attendance.” As required in Va. Code §2.2-3708.2(C), once adopted, the policy shall be applied strictly and uniformly, without exception, to the entire membership and without regard to the identity of the member requesting remote participation or the matters that will be considered or voted on at the meeting.

5-2. Any Public Entity that adopts a policy as authorized in §5-1 shall review the policy six months after adoption.

5-3 Any Public Entity that resumes meeting with a quorum physically assembled shall continue to provide electronic public access to the meeting, conduct public hearings, and receive public comment as per sections 2 and 3 of Ordinance 20-05.

This ordinance is effective immediately and shall remain in full force and effect, unless amended, readopted, or repealed by City Council, for a period not exceeding 6 months after the end of the COVID-19 disaster.

Votes:

Ayes:

Nays:

Absent from Vote:

Absent from Meeting:

Approved as to form:

Kathleen Dooley, City Attorney

Clerk's Certificate

I, the undersigned, certify that I am Clerk of Council of the City of Fredericksburg, Virginia, and that the foregoing is a true copy of Ordinance No. 20-__ duly adopted at a meeting of the City Council meeting held October 13, 2020 at which a quorum was present and voted.

Tonya B. Lacey, MMC

Clerk of Council

Policy on Individual Participation in [Public Entity] meetings by electronic means under Virginia Code §2.2-3708.2, with special provisions for the COVID-19 pandemic

It is the policy of the [Public Entity] that individual members of the [Public Entity] may participate in meetings of the [Public Entity] by electronic means as permitted by Virginia Code §2.2-3708.2. This policy shall apply to the entire membership and without regard to the identity of the member requesting remote participation or the matters that will be considered or voted on at the meeting.

Whenever an individual member wishes to participate from a remote location, the law requires a quorum of the [Public Entity] to be physically assembled at the primary or central meeting location, and arrangements will be made for the voice of the remote participant to be heard by all persons at the primary or central meeting location. The reason that the member is unable to attend the meeting and the remote location from which the member participate will be recorded in the meeting minutes.

When such individual participation is due to a personal matter, such participation is limited by law to two meetings of the public body per member each calendar year.

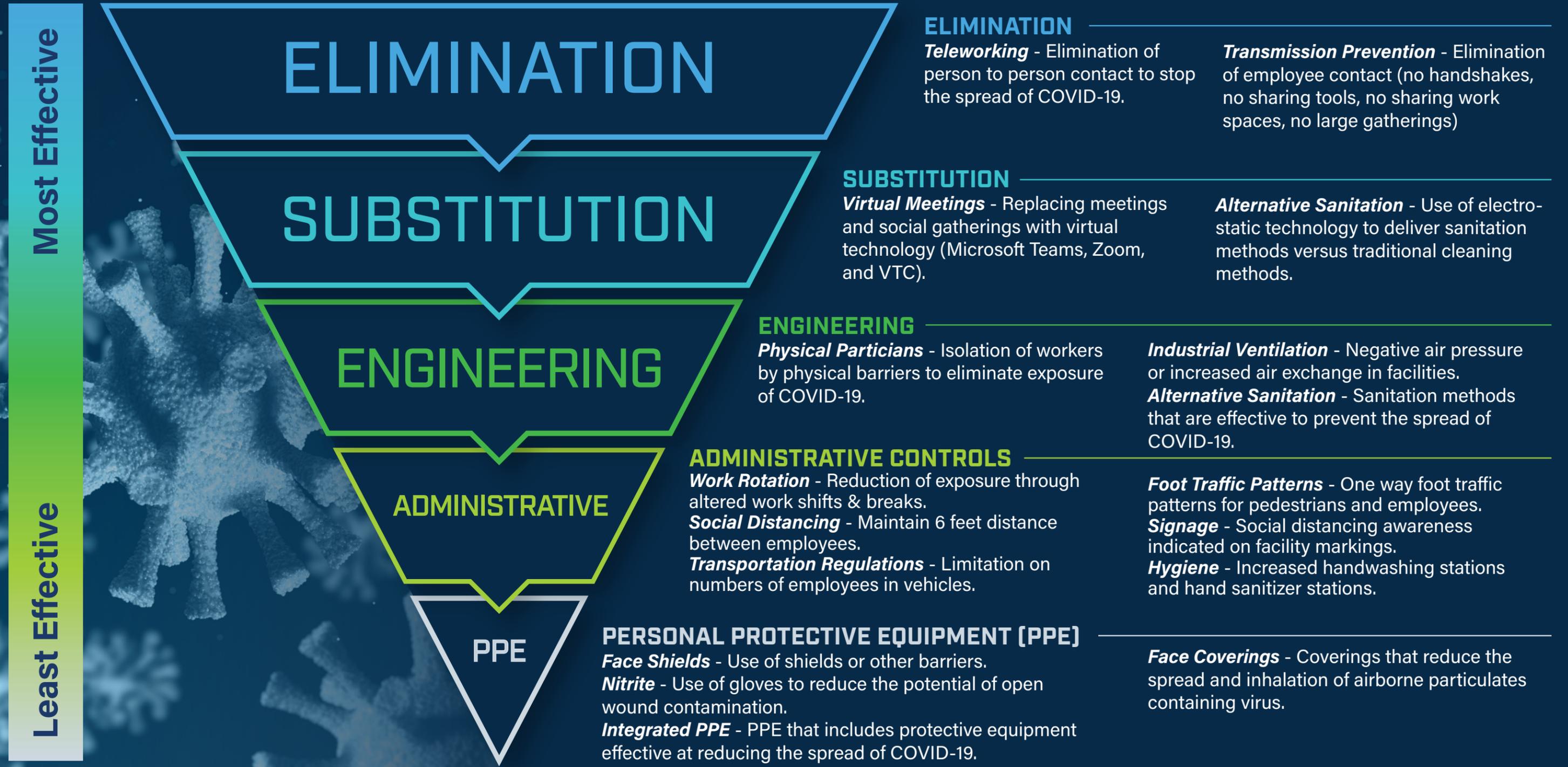
Individual participation from a remote location shall be approved unless such participation would violate this policy or the provisions of the Virginia Freedom of Information Act. If a member's participation from a remote location is challenged, then the [Public Entity] shall vote whether to allow such participation. If the [Public Entity] votes to disapprove of the member's participation because such participation would violate this policy, such disapproval will be recorded in the minutes with specificity.

This policy applies to all committees and subcommittees of the [Public Entity.]

Special provisions for the COVID-19 pandemic:

These special provisions, authorized by Ord. 20-___, apply for the duration of the declared state of emergency for the City of Fredericksburg in response to the spread of novel coronavirus, or COVID-19, as declared Fredericksburg City Manager Timothy J. Baroody on March 16, 2020. As required by Ord. 20-___, the [Public Entity] will review this policy six months after adoption.

During the declared local emergency, individual participation due to a medical condition that prevents the member's attendance at the meeting is available to any member for any meeting where a quorum is physically assembled. As guidance, the "medical condition" grounds for remote participation shall include the following conditions of the member or member's household: (1) the medical conditions that place or might place an individual at a higher risk for serious complications from COVID-19 according to the Centers for Disease Control; (2) persons at a higher risk for severe illness from COVID-19 due to age, as advised by the Centers for Disease Control; (3) members who choose remote participation because they are concerned about the risk they may pose to others; (4) members who choose to manage their risk and the community's during the pandemic emergency by continuing to avoid gathering with others.





MEMORANDUM

A handwritten signature in black ink that reads 'Timothy J. Baroody'.

TO: Mayor Greenlaw and Members of City Council
FROM: Timothy J. Baroody, City Manager
DATE: October 7, 2020 (for October 13 Council meeting)
SUBJECT: City Manager's Update

Highlights of major activities and other notable developments:

City Wins VML Awards – The City of Fredericksburg has been awarded five Local Champion Awards by the Virginia Municipal League for its efforts to protect the health and safety of Fredericksburg during the Covid-19 pandemic. The [Virginia Municipal League](#) is a statewide, nonprofit, nonpartisan association of city, town and county governments. The membership includes 37 cities, 160 towns and eight counties. Their Local Champion Awards recognized local governments for their efforts to provide communication, community health, continuity of operations, economic and business stability, public safety, risk management and education and youth initiatives during the unprecedented Covid-19 public health crisis in 2020. See [news release](#).



Christmas Parade 2020 Deadline Extended – The Parks, Recreation and Events Department is extending the deadline for registering a float in the upcoming “Reverse” Parade on December 5 at 5:30 p.m. The theme this year is **“Light Up the Season!”** Let’s brighten the night and everyone’s spirits as we keep this tradition alive! Organizations and businesses are encouraged to register early. The cost is \$50 for commercial entry, \$25 for non-profit entry, and free to Veterans Groups, school organizations and first responders. More information can be found on the [parade’s webpage](#).

They are working closely with all City departments to format the parade in such a way that health and safety for our participants and the community are top priority. With that, they have redesigned the traditional parade to a **Reverse Parade** format. **Floats will be stationed along Gordon W. Shelton Boulevard and attendees will drive by.** Still free to attendees, it will be similar to a drive-thru light display. This reverse parade format will allow for spacing between parade entries and no direct contact with the public. Staff is excited about the new reverse parade this year, and think it will be a great way to spread some holiday cheer.

Virginia Public School Authority Refinances School Bonds – The Virginia Public School Authority is refinancing previously issued school bonds. The City participated in a 2004 issue from the VPSA to provide the funds to build James Monroe High School and Lafayette Upper Elementary School. The City, as a participant, will receive credit for the savings, beginning in FY 2022. Here is a table of the savings, which are preliminary estimates at this point:

Fiscal Year	Estimated Savings
FY 2022	\$197,289
FY 2023	\$198,585
FY 2024	\$208,578
FY 2025	\$210,993
FY 2026	\$235,702
FY 2027	\$239,078
FY 2028	\$236,673
FY 2029	\$237,213
FY 2030	\$239,381
Total	\$2,003,492

The Refunding Bonds are expected to be sold on or about October 20, 2020, and settlement is expected to occur on or around November 10, 2020. The savings schedule will be finalized after closing. The City and the School Board will not be able to change the use of the facilities built with the bonds (Lafayette Upper Elementary School and James Monroe High School) from school use, and there will be a ten-year call provision on the refunding bonds.



Voting in the City – Early voting continues through in-person voting and applying now to receive their absentee ballots by mail for the November 3, 2020 Presidential Election. Vote in person at 601 Caroline Street Monday – Friday from 8:30 a.m. to 4:30 p.m. and on Saturday, October 24 and 31 from 8:30 a.m. to 4:30 p.m. All voters are qualified to vote by mail, but must submit an application requesting a ballot. Registered voters of any City or County in Virginia can apply online via the [Virginia Department of Elections](#) Fredericksburg

residents should check the [Fredericksburg Voter Registration](#) webpage for election applications, deadlines, and other information. The deadline to request a ballot is October 23rd at 5:00 p.m. Voters are encouraged to act now.



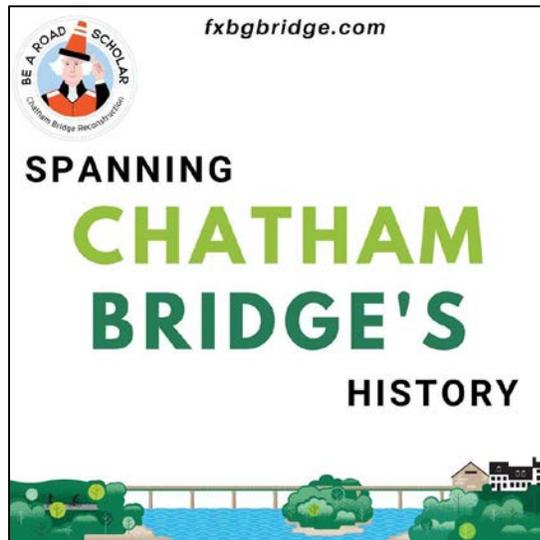
“Ask the Mayor” Video Series – In the newest episode Mayor Greenlaw is joined by Fredericksburg Parks, Recreation and Events Director, Jane Shelhorse. In this episode, Ms. Shelhorse answers your questions about what's happening in the 'Burg.

City staff has been working hard to organize COVID-safe events, classes and programs for us this fall. These include the Fredericksburg Reverse Christmas Parade, Drive-In Bingo, and

more! [Watch this week's episode](#) and then be sure to visit parks.fxbg.com for all of the details.

Please continue submitting your questions at askthemayor@fredericksburgva.gov.

Our revolutionary spirit is stronger than ever and we look forward to continuing to see an active and vibrant city. #lovefxbg



Chatham Bridge Closure – The bridge closed on **June 22 and will stay closed through October 2021** for major improvements. The Department of Economic Development and Tourism is proud to present the weekly social media series, Spanning Chatham Bridge’s History, every Thursday. As our Chatham Bridge undergoes construction, we’re taking a look back on the history of the bridge, and its prominence in downtown Fredericksburg throughout generations. In this week’s edition: C.S Scott’s great bridge, the third construction of the Chatham Bridge, eventually met its end on June 1, 1889, when the City of Fredericksburg experienced a major flood, during which the Rappahannock river crested at 32.2 feet. Not only

did the flood destroy the Chatham Bridge, but the rapids of the flooded river carried its debris and sent it barreling towards the Railroad Bridge. The Free Lance reported that just before the moment of impact, “women closed their eyes, some screamed and turned away their heads.” Magnificently enough, the Railroad Bridge remained unharmed. On the other hand, the destroyed Chatham Bridge would have to be completely reconstructed. Thus began a heated debate among citizens on the location of the new construction of the Chatham Bridge.

Stay updated: www.virginiadot.org and at www.fxbgbridge.com

Upcoming Council Meetings – All council meetings will be held virtually until further notice. The public is encouraged to access the meetings through the broadcast on Cox Channel 84 and Verizon Channel 42. The meetings can also be viewed on www.regionalwebtv.com/fredcc or accessed through Facebook at www.facebook.com/FXBGgov.

Citizens who wish to participate in the public comment period are able to send their comments in writing by (1) dropping them in the Deposit Box at City Hall, (2) U.S. Mail, (3) through a form on our website <https://www.fredericksburgva.gov/677/Public-Comment> or (4) emailed to the Clerk of Council. Comments must be received at least four hours in advance of the meeting – *for example, comments will be accepted until 1:30 p.m. on nights with a 5:30 p.m. work session.* The comments will be read out loud during the public comment portion of the City Council meeting. The standard rules apply to public comments: the person must identify himself or herself by name and address, including zip code, limit his or her remarks to **3 minutes** or less (read aloud), and address a topic of City business. Public comments are limited to a **total of 40 minutes**, with priority for comments from City residence or businesses. All written comments will be submitted to the council members. See www.fredericksburgva.gov for more details or call (540) 372-1010.

COVID-19 (Coronavirus) – Information will continue to be provided in written updates shared through our website and social media platforms. See www.fredericksburgva.gov for full details. Stay vigilant and practice social distancing, wear a mask in public settings, and frequent hand washing.

Also stay updated in the following ways: follow the [Virginia Department of Health for updates](#), be notified when we make City Government related updates on this page by subscribing to the ["Fredericksburg News" News Flash](#), subscribe to [FredericksburgAlert.com](#) for announcements for City Government, City Schools and also any changes in trash pickups, traffic, events and more.



Free COVID testing! The Rappahannock Area Health District (RAHD), with the support of the Virginia National Guard, will offer free drive-thru COVID-19 testing each Wednesday evening throughout the month of October in the parking lot at Stafford Hospital (101 Hospital Blvd, Stafford, VA, 22554). Testing will be available from 4 to 7 p.m.

In addition to the weekly Wednesday events, RAHD will offer the following community testing events in coordination with Mary Washington Healthcare: **Saturday, October 17, 8:30 to 11:30 a.m. at**

Hugh Mercer Elementary, 2100 Cowan Blvd, Fredericksburg, VA, and **Saturday, October 24, 8:30 to 11:30 a.m. at Lewis and Clark Elementary**, 18101 Clark and York Blvd, Ruther Glen, VA

Testing is available at no cost to participants, and no prescription or health insurance information is required. The test administered will be the PCR nasal swab that diagnoses active cases of the virus. Results will be available for all participants approximately three days after the event.

All events will be drive-thru, and individuals seeking testing should be seated near a window of the vehicle. All in attendance are asked to wear a cloth face covering.

Community members seeking testing can call 540-899-4797 to register in advance. Links to register online are available at www.vdh.virginia.gov/rappahannock. Day-of registrations will also be accepted. For more information on COVID-19 in Virginia, please visit www.vdh.virginia.gov/coronavirus.

CARES Act Funding in Action – The City set aside \$400,000 in CARES Act funding for assistance to individuals in the community and has partnered with the Rappahannock United Way to help Fredericksburg individuals and families who have been directly affected by COVID-19 pay their rent or mortgage. To qualify for City-funded assistance, applicants must live in the City; have a lease, mortgage or proof of landlord-tenant agreement; have suffered a loss of income due to COVID-19; have a rent or mortgage payment that is at or below Fair Market Rent; and must be at or below 80% Area Median Income. In the City, Area Median Income varies based on how many people reside in a household. For example, the maximum income for a one-person household is \$55,750, and the maximum income for a four-person household is \$79,600. If you or someone you know needs assistance, please visit <https://www.rappahannockunitedway.org/get-help/individual/housingassistance/> or call Rappahannock United Way at 540-373-0041 (Monday - Friday, 8:00AM - 4:30PM).



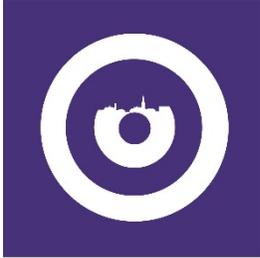
Maury Playground Refreshed – On Saturday, September 26, the UMW Community Outreach and Resources (COAR) students and the Tree Fredericksburg Tree Stewards did some sprucing up of the Maury Playground. The volunteers, all wearing masks, worked at the park for about three hours, trimming up trees and adding mulch. A great way for UMW students to be a part of their community, yet staying safe, as they return to classes.

Mother Son Dance – On Friday, September 25, Parks, Recreation and Events held the 2020 Mother Son Dance at the Fredericksburg Fairgrounds. The event had originally been scheduled for May, but had been postponed because of the pandemic. Using the pavilion at the fairgrounds gave the 100 participants (wearing masks!) plenty of space to enjoy a couple of hours dancing. One family even arrived by limousine! The pavilion was the perfect place for the event, with the ability to be outside, yet covered when the evening rain hit. The event was a big success, based on the comments from attendees.

Fall Programs – Our Parks, Recreation and Events team is excited to bring back safe, socially



distanced programs for the fall season. See attachment and full [listing](#) which continues to grow!



Fred Focus

Fred Focus – The [Fredericksburg Department of Economic Development and Tourism](#) is pleased to bring you Fred Focus, a weekly e-newsletter that goes out every Thursday and keeps you up-to-date on Fredericksburg business and tourism information and events. This week's [edition](#).



**CITY COUNCIL
MEETINGS & EVENTS CALENDAR**

City Hall Council Chambers, 715 Princess Anne Street, Fredericksburg, VA 22401

10/13/20	5:30 p.m.	Work Session <ul style="list-style-type: none">• Planning Commission Candidate Interviews (2)• Sidewalk Cafés in the Right of Way• Mary Washington Cottage Update	Virtual
	7:30 p.m.	Regular Session	
10/27/20	5:30 p.m.	Work Session	Virtual
	7:30 p.m.	Regular Session	
10/28/20	6:30 p.m.	Joint Work Session with Planning Commission to Review the 2020 Housing Affordability Study and Action Plan	Virtual
11/10/20	5:30 p.m.	Work Session	Virtual
	7:30 p.m.	Regular Session	
11/24/20	5:30 p.m.	Work Session	Virtual
	7:30 p.m.	Regular Session	
12/8/20	5:30 p.m.	Work Session	Virtual
	7:30 p.m.	Regular Session	

Future Work Session Topics: Economic Development Incentives, Action on UDO Text Amendment from 2018: Paying Taxes at Approval Instead of Application, and New FEMA Flood Plain Maps.

October 6 at 11 a.m.