

PLANNING COMMISSION REGULAR MEETING
December 9, 2025 – 5:30 P.M.
Hybrid Meeting

I. COMMISSION CLOSED SESSION (Agenda discussion(s))

Beginning: 5:00 PM

Location: NDS Conference Room

Members Present: Chairman Schwarz, Commissioner Mitchell, Commissioner d’Oronzio, Commissioner Stolzenberg, Commissioner Roettger, Commissioner Solla-Yates, Commissioner Yoder, Commissioner Joy

Staff Present: Patrick Cory, Matt Alfele, Missy Creasy, Dannan O’Connell, Remy Trail, Jeff Werner

II. COMMISSION REGULAR MEETING – Meeting called to order by Chairman Schwarz at 5:30 PM.

Beginning: 5:30 PM

Location: City Hall Chambers

A. COMMISSIONERS’ REPORTS

Commissioner Stolzenberg – I had 2 meetings this month. The first was LUPEC in November. There was an update on all the various transportation studies that you are familiar with, the STARS and pipeline studies. There was a lengthy discussion of all the projects that are finally breaking ground in the next 2 years and how to coordinate between VDOT, contractors, and the city as all of those happen. There are going to be projects and road work happening all over. There was a lengthy discussion about how to coordinate internally and in public messaging. It sounds like there will be follow-up meetings to get some actionable improvements there in advance of these major projects beginning next year. MPO Tech met last week. We covered a couple topics. One topic is that we are narrowing down what we will be doing for smart-scale round seven. Potential projects are the Barracks & 29 Interchange and how to improve that. Albemarle County will be submitting a shared-use path plan further west on Barracks Road. In the city, you have our one project smart-scale application, the Ridge & Main project. That is coming out of the STARS study that is underway. There was discussion of what one project on the bubble would be. Since the MPO gets 4 submissions, there are 5 under consideration. There are essentially widenings of the 250 bypass in the vicinity of Old Ivy, whether widening the southbound or lengthening the southbound off or the northbound connecting that on-ramp to Leonard Sandridge where that off-ramp begins. Once they are out there and doing analyses, it turned out that the one they expected to be in worse condition was in better condition than the other. There were probably 2 other projects. The Fontaine bundle, which includes the Hydraulic roundabout and other things went out to bid and came in under the expected budget. There was a gap between the city’s Fontaine streetscape project that went to the city line and the MPO Fontaine interchange project. There was about 400 feet of gap in what is a mile long project. They are hopeful that they can address the gap if we figure out what we want to do with it.

Commissioner Mitchell – No Report

Commissioner Solla-Yates – I have been teaching a new course at the University called The World Heritage Trail. There was a big public pinup today. It is mostly wrestling with how to have safe transportation between the city and Monticello across Interstate 64, which is hard. There were a couple interesting ideas that I am hopeful about. I will share more information when I have it.

Commissioner d’Oronzio – For the first time in my tenure, I missed a HAC meeting. I don’t have anything to report there. There was a discussion of their 2026 work plan. TJPDC met last week. There is a funding opportunity under Safe Streets for All for all the various localities. TJPDC staff has already contacted the constituent staffs. There is uniform interest for moving forward with that. The idea is that the consolidation of this in one supervisory grant will get a lot farther. TJPDC’s offices are being renovated starting now. They will be 100 percent virtual and out of the office.

Commissioner Roettger – I missed the Tree Commission meeting. I know what they were working on. They have been doing a lot of work prepping for the State of the Forest report that they do every year. I know that they are working hard on that. They are continuing to work on an educational brochure for developers hoping to keep more existing trees in the mix and how to plan for that. I attended a Parks & Recreation meeting. We finished going through all the bylaws. There was still a lot of internal conversation in that meeting. We had 2 great interviews with potential new commissioners.

Commissioner Yoder – No Report

B. UNIVERSITY REPORT

Commissioner Joy – I have a brief update on some ongoing work that is associated with our capital projects. The Virginia Guest House is the hotel and conference center, the flagship property at the University for our guests. That will be substantially complete in early 2026. That will have a grand opening in April. The Karsh Institute of Democracy will be wrapping up in the fall of 2026. That project is making great progress. Second year housing, which is adjacent to The Karsh Institute and The Guest House, will be completed in the fall of 2027. That is starting to come out of the ground. We have Darden student housing. That will also be completed in the fall of 2027. We have North Grounds Parking Garage. The Fontaine Garage is open. The North Grounds Garage will be open in the fall of 2026. I have an update on Sycamore Hill. That is the property that was previously known as the Federal Executive Institute. That is currently going through some mold remediation. There are safety and accessibility issues that are being addressed with the hope of having first classes and residences in the fall. The primary users of that property will be the ROTC and the School of Continuing and Professional Studies. Fontaine Zero Combustion Energy plant includes 100 geo-exchange wells that are each 800 feet deep. That is nearing completion. We are hoping to see that up and running this winter. The Oak Lawn lease has been finalized. It is now currently with the city for review.

C. CHAIR’S REPORT

Chairman Schwarz – At the BAR meeting last month, there weren’t any projects of significance. We did spend time speaking with staff trying to get some guidance for the RFP that is going out for updating our guidelines.

D. DEPARTMENT OF NDS

Matt Alfele, Development Manager – We had our work session with you last month regarding the Tier 1 and Tier 2 amendments. It was very productive. Staff have been busy incorporating that feedback from the work session. We anticipate coming for a public hearing. It is a lengthy ad that we have been working on for January 13th for the public hearing.

E. MATTERS TO BE PRESENTED BY THE PUBLIC NOT ON THE FORMAL AGENDA

No Public Comments

F. CONSENT AGENDA

1. Minutes – October 14, 2025 – Regular Meeting
2. Request for Initiation of a Zoning Text Amendment and Zoning Map Amendment – 801 West Street
3. Resolution Establishing a Regular Meeting Schedule

Motion to Approve – d’Oronzio – Second by Solla-Yates – Motion passed 7-0.

The meeting was recessed at 5:42 PM until 6:00 PM for the joint public hearing with City Council.

The meeting was called back to order at 6:00 PM

Mayor Wade called Council to order.

III. PLANNING COMMISSION – CITY COUNCIL JOINT PUBLIC HEARING

Beginning: 6:00 PM

Format: (i) Staff Report (ii) Public Hearing (iii) Commission Discussion & Motion

1. **Charlottesville Capital Improvement Program FY 2027-2031:** Consideration of the proposed 5-year Capital Improvement Program in the areas of Affordable Housing, Education, Public Safety & Justice, Facilities Management, Transportation & Access, Parks & Recreation, and Technology Infrastructure. A copy of the proposed CIP is available for review at: <https://www.charlottesville.gov/budget>.

i. Staff Report

Krissy Hammill, Budget Director – We are going to have a public hearing on the CIP. Everything you will see tonight is what we talked about at your last work session. This may be the first time Council has seen a draft of the CIP. I will go through these slides, talk about what is in there, and I will leave most of the time for you to discuss. Eventually, you will use this meeting to make a recommendation to the City Manager for what you would like to see in the CIP. We are going to look at a 5-year draft plan, look at the planned revenues and expenditures by category, and we will leave it open for questions.

Next Slide – Summary

If we look at the 5-year plan, you will see that this plan every year is balanced. Revenues must balance to expenditures. This plan looks to fund the CIP with \$153 million of bonds and over \$44 million of transfers from the General Fund in terms of cash. We are using some of the CIP contingency funds to balance the CIP. The contribution from schools is a regular contribution that they make for their small cap program. The \$40,000 is for PEG fees. That comes from the state that we use for the public access studio. If you were to look at the expenditure categories, as these projects fall in line over the 5 years, if you were budgeting based on your priorities, Education comes first, Transportation & Access comes second, and Affordable Housing comes third.

Next Slide – Funding the CIP-Revenues

Looking at the revenues in a more granular detail. With the General Fund each year, we have a financial policy that requires that we transfer at least 3 percent of the General Fund as cash to the CIP. Most of our CIP is to be funded with bonds.

Next Slide – Education

As we start going through these categories, you will see that there are some highlights. If it is a green highlight, that is an indicator that it reflects a change from what was in the plan last year. For HVAC, last year, that was in

the budget at \$750,000 a year. This year it is reflecting over \$1.25 million. If it is yellow or red, that means that the number that is reflected here is what the departments have submitted. It is still being reviewed and under discussion with the City Manager. If there is something in blue, it means that it was added completely as a new project. There are not many of those yet. From the notes we sent you a list of all the new requests that were submitted by departments. We are still reviewing many of those.

In the Education category, we are just at \$15.6 million in FY27 or \$61.3 million over the 5 years. One notable change that you will see here is for the Walker Pre-K program. Last year, that was in the CIP at about \$30 million. You will also see noted that Oak Lawn is TBD. Based on cost estimates, we have added some additional funds to that project. McGuffey is one of the new projects that was added. That roof needs to be replaced. That was added in.

Michael Goddard, Assistant Director – If you have been following the conversation about the Pre-K center or the early childhood learning center for the new preschool, we had originally planned on putting that at Walker. We still might do that. It is still a conversation. We have been offered a piece of property at Oak Lawn, which is next to Buford or Charlottesville Middle School. There is some conversation about moving the program to that site. The change in the value of that project does not have anything to do with the site. That is a side item that is happening at the same time.

Next Slide – Facilities Capital Projects

Ms. Hammill – There is a new project here, the McGuffey Roof Replacement. That is programmed in the out years. That is something that came to our attention in this cycle. Just as we increased the funding for HVAC on the school side, we also increased that on the city side as well.

Next Slide – Public Safety & Justice

We are at \$1.8 million for FY27 or \$6.6 million over the 5 years. There are basically no changes to any of these categories except for the mobile data terminals. That was basically a change based on their replacement cycle and a few cost changes.

Next Slide – Transportation & Access

There are not a lot of changes here from what was in the plan last year. You will notice that with new sidewalks, there was quite a bit of additional funding. That was added here as an investment. We added to your packet a list of the tier projects and the funding for those by year. Dominion Power Pole remediation was newly added. It was largely the purchase of easements and right-of-ways for removing the poles. With Bus Replacement, those numbers were changed just to reflect the cost of the buses. There are no changes in terms of alternative fuels or EV. This is just our normal bus replacement and the cost of buses. This is our match to the federal and state funding that we get for that. ITS was a slight change on an annual basis. The right-of-way of pertinence was a slight increase. With the historic district, that money was a slight increase. It was spread over a couple years. We have moved that forward to get some work done earlier. We have received a lot of comments on the bike infrastructure.

Ben Chambers, Transportation Planner – You will see on this proposed budget that we don't have a change to our bike infrastructure fund. We are holding it constant at \$100,000 for FY27 through FY31. We don't want to show this as 'this is all we are spending' on bike infrastructure over the next 5 years. We currently have about \$1 million sitting in this fund right now. We have about \$800,000 worth of that programmed out throughout the rest of this fiscal year. We are programming that out on things like the 5th Street Cycle Track, Rose Hill Drive Restriping, and repaving planning work that we are starting this winter, and a protected bike parking pilot that

we will be looking at in the spring. This will leave us with about \$200,000 to carry over into FY27 along with the \$100,000 that we are proposing for this fiscal year. We would be looking at supporting planning for West Main Street, Cherry, and Elliott as we are working through the repaving and utility work on those corridors. We are also going to be working with utilities and with our Public Works partners to make sure those corridors are safe to go through as they are under construction. As we are finalizing designs on those utilities and repaving projects, we are also finalizing maintenance of traffic plans that account for bicycle and pedestrian movement. I would like to note that along with doing a lot of bike work with the existing funds that we have, we are also going to be figuring out what the network looks like in the future. We have \$750,000 that has been appropriated by Council to start the development of a citywide transportation plan, which will help us figure out what we will need to invest in next. While we are putting that together, we are scoping of that over the spring. We will be planning for that for FY27 and FY28. While we are doing that, we are also going to be looking for opportunities to align with any repaving or utility work that is going on and may come to you in the future. We have the funds that we need to move forward with the work that we have.

Ms. Hammill – Mr. Sanders has spoken a lot about trying to move away from more of these lump-sum accounts to more specific projects. Part of that will come from this planning that Mr. Chambers just spoke of. Any of the projects that are bonded, because we don't sell the bonds until we are ready to do the project or the project is underway, we don't have to build up a savings account per se as long as we are accounting for that in the future plans. Don't be alarmed that it is only \$100,000. We are working on that. We will be coming back. There will likely be changes in the CIP. We are trying to spend down the funds that are available now to get that work underway like what we did with the sidewalks. Many times, we were here, and we had lump sums in the new sidewalk account. As Mr. Sanders alluded to in the work session, he was saying 'please don't give me more money. We can't do the work.' It is a similar situation to where we are with bike infrastructure. We are working on that. You will see more in the future.

Commissioner Stolzenberg – Are we certain that what is remaining in the account plus this \$100,000 for next fiscal year will carry us through all our needs for FY27 without any possibility of any of those projects you mentioned?

Mr. Chambers – I cannot give you 100 percent certainty. We are still working with Utilities and Public Works to identify the project schedules for West Main, Cherry, and Elliott. We think that \$300,000 is going to be a pretty good starting point and probably would not be able to advance much planning beyond that.

Commissioner Stolzenberg – Is there funding on the operational side or funding needs on the operational side that are limiting our capacity to do more projects like this and get that money out the door to build more infrastructure like we saw with the sidewalks, building up our in-house crew, and improving our capacity within project management in Public Works? Are there funding requests or needs for the operating budget that could increase our capacity there?

Mr. Chambers – We have not identified any of those needs at this point. We are still trying to figure out what that network needs to be before we identify the staff that are needed to implement it.

Next Slide – Parks & Recreation

Ms. Hammill – With Parks & Recreation, we are a little over \$2.7 million in FY27 and \$14.2 million for the 5 years. You will notice that there are multiple yellow highlights in this area. All of these are just lump sums that we have requested are specific project lists from the departments. We are in the process of holding meetings for departments to come back and discuss that and make proposals to Mr. Sanders. Those numbers will likely change as we get more specifics for how those funds will be spent. The City County Park Maintenance account was a new request that was received from the county. Traditionally, we have had this line item in the CIP. We

share the costs for parks such as Darden Towe. Generally, they identify a project, bill us, and we budget for 50 percent. In this case, they have asked us to designate a lump sum account to address small maintenance things like our small cap projects that we have for facilities. That is a new request. We are waiting for a little more information on that. That is why that one is highlighted. The Parks and School Playground was slightly increased based on their work plan.

Next Slide – Affordable Housing

Ms. Hammill – Not a lot of changes here. Carlton Mobile Homes was changed in the CIP last year. Those numbers were much bigger in the early years. At the time, we were working on the CIP last year. Their financing was not complete. That has since been completed. These funds here reflect the actual loan payments that the PHA will be making during that time. There is a balloon payment in FY30.

Next Slide – Technology Infrastructure

Ms. Hammill – These are small funds. The public access TV is \$40,000, which comes from the PEG fees that I mentioned earlier in the revenues. The citywide IT infrastructure is an account that we use to leverage different information technology opportunities that arise. We have used this to help when we move forward with our asset management system. We have moved this when we move forward midyear with a procurement system. We have used it to purchase TVs for informational purposes for different places throughout the city. That is what those funds are used for. With the replacement of voting equipment, that was the second year of funding that that equipment needs to be replaced next fiscal year.

Next Slide – What’s Next?

Ms. Hammill – Those are the details. We are having the public hearing tonight. You will use this time to make a recommendation to the City Manager. The CIP will be proposed as part of the overall budget and presented to Council on March 2nd.

Commissioner Yoder – With the bike projects in the past, we were amassing funds in an account for this. We could not spend it or did not have the capacity to spend it on projects. We are trying to move away from that to where we have the sidewalk projects. I think it is a great example. We have a list of projects, and this is what we are funding. In looking at the budget explorer and looking back at the fiscal year we just had, we had \$60 million in new funding and \$201 million in prior years on expended funding. There were several times more funds coming from prior years. Is that typical? Is that what we want to see? Are we trying to move away from that?

Ms. Hammill – There are a couple things going on there. Typically, we would not like to have over \$200 million sitting unspent. That seems like a big number. However, a large percentage of that is related to our VDOT projects that are large federal and state funds. As we budget those projects, we must put the full budget in with the expectation of those funds. We have been working on that portfolio to move those projects along. We are on our way with that. We do anticipate that you will see that balance fade away. As we embark on larger projects, such as \$46 million for a Pre-K Center, it will depend on what projects are in the CIP. VDOT numbers are what drives that \$201 million.

Commissioner Roettger – With affordable housing, in the future it would be interesting to have a work session just on a particular topic, maybe not each department. On some of the topics, it would be interesting to have some of the constituents that are usually listed as taking some of the funding in the room to hear what is going on in the larger picture from all the different levels of subsidies that are available to offer. We don’t need to get into the school situation. We don’t need to do everything. In that one, there were questions about the funding

coming in from some big new projects in town. It would be interesting to have a session with everyone involved.

Ms. Hammill – That is a great suggestion. Mr. Sanders has been using the 4 PM sessions with Council to address some of those. We can send you that schedule. We have already had some. We can share that schedule with you.

Commissioner Solla-Yates – I understand that we were far along on the Walker design for the Pre-K building. How far back does the Oak Lawn switch push us in time? Would it be appropriate to push the funding back a year and pull something else ahead?

Mr. Goddard – That is a good question? The Walker site was not quite through the schematic design. We were not that far down the road. There is a delay because of the way we do scheduling projects, typically in one-year increments, so we land at the end of the summer. We aren't experiencing a delay directly associated with Oak Lawn. There was an earlier delay associated with the FEI (Federal Executive Institute) debacle. It is that same year that we are now working through. I don't believe that it makes sense to switch the order of the projects just because we are already back into design. We are doing site examinations of the Oak Lawn site, so we can take over that site and know what we can do with it as soon as it is available to us. It is a step back. Hopefully, we will reuse as much of that design process if not the actual drawings as we can.

Commissioner Solla-Yates – I read the notes from the 1975 City Council meeting where the current McGuffey arrangement was made. Council was concerned about leaving the historic property vacant and possibly losing it. They established a committee to study the matter. They recommended the current approach to understand that it would cost about \$100,000 up front to make it happen. Could we have a similar committee today to look at this issue? Could we look at a hybrid option where many community needs are addressed with modernized facilities? I list several possibilities. There are 2 acres downtown worth \$10 million that is potentially useful for many public purposes.

Mayor Wade – The question is whether we will consider another committee? I don't see why not. I am not going to make that commitment now. It will be something to investigate.

Commissioner Solla-Yates – I like saving money. I see a couple ideas on the "unfunded list" that save money. Solar and HVAC come to mind. If we did want to recommend funding for those, my understanding is that they would increase our overall capacity to deliver capital projects going forward. Is the math right?

Ms. Hammill – In terms of energy savings? Is that where you are going? For HVAC, we did increase the funding over \$1 million each year if you look at both the school and the facility accounts. With solar, we do have several new installations. We are still looking at what those cost savings would be. We are also looking at other alternative ways to get solar, such as PPA and those other things. There certainly is energy savings with solar. The devil is in the details in terms of cost benefit of those. We are looking at all those options.

Commissioner d'Oronzio – Can we speak to the out years on housing? On the CIP side, we are looking at a drift down. I understand that some of that is caused by these major capital projects coming to an end. Presumably we will be replacing those major capital projects with new ones. It looks like we have a precipitous drop. Is that a follow-up on to Mr. Sanders' preference not to be accumulating huge savings when we don't know when we are spending it and how it aligns to our \$10 million a year commitment?

James Freas, Deputy City Manager – We don't have projects lined up now. I will note that the \$10 million a year objective set in the Affordable Housing Plan was for 10 years for \$100 million. We are coming to an end to

that. That has been often referred to as a starting point and we have treated it as such. I can assure you that we have not put a sign on the door that says, closed for business.

Mayor Wade – We have had discussions as to whether that needs to even be higher because of inflation.

Commissioner d’Oronzio – Is 2031 or 2030 ten years?

Mr. Freas – 2030 is ten years under the Affordable Housing Plan,

Commissioner Stolzenberg – You often start these discussions by explaining what a CIP is. What do we want from our CIP? What is the purpose of having a CIP beyond the state law? What do we want to get out of it? Is it to understand our future financial picture or keep track of upcoming projects?

Ms. Hammill – I think it is all those things. Your CIP should be indicative of the Council Strategic Plan. Your CIP should make sure that it is making the mark there. It should also be following your Comprehensive Plan or the projects meeting the Comprehensive Plan. Part of the reason why it is a plan and a multi-year plan is that they are expensive. We need to try to chart that out and figure out what we can do, how we can pay for that. That is what I think is part of a CIP plan.

Mr. Freas – I would offer some degree of transparency to the community at large about what it is we are intending to use those funds for. That is the conversation we have been having with Council about CIP in general and we are trying to expand and improve our reporting on how we are using those funds. When we look ahead, these are the projects that are upcoming and being able to share that with the community. We are also trying to be more specific in those lines around what the use of the funds is.

Chairman Schwarz – With the Westhaven Redevelopment line item, we have \$10 million in there for the next 2 years. Is Westhaven going to be completed in 2 years? What is the \$10 million doing?

Ms. Hammill – We will get back to you with an answer.

Councilor Oschrin – I watched the Planning Commission work session about this. I have a couple of follow-up questions based on those original questions and some of the answers that we have seen since then. One of the biggest concerns that I have and that we have seen from many people is the bike infrastructure line item. We have heard the explanation about wanting concrete projects before we have concrete funding. There is bike infrastructure in other line items that are not clear. The milling and paving are going to include bike lanes or restriping in a way where the parking is now protecting the bike lanes. That is not visible in the bike infrastructure line item. We got a suggestion from Commissioner Joy about how to add an asterisk or something to collect that information or let people know. An easier way to present that information is to have some kind of collected subcategory list of things that are overlapping in multiple sections that people are going to be interested in. If we know that x amount of money is for these projects that don’t read as bike projects aren’t going to touch the bike infrastructure plus the bike infrastructure line item. There is a section that says that all these things are related to bikes. I think the ADA stuff is a similar situation where there are the ADA line items. There are also all the other pieces of different things that collect for ADA. There is probably a couple of those types of categories that might be useful to collate in that way just for communication with people who are concerned about those things and the ability to figure out more specifics. It is good to hear the feedback from the community that we have been getting about how important bike infrastructure is. That is where we have room for so much potential. It is the most shift with the most potential. We are finally seeing the sidewalks that people have been clamoring for. We are finally seeing action on those. That is great. More people are going to get out of their cars, have safer driving, and safer streets when we invest in bike infrastructure. When people get out of their cars and the people left who must drive, they have a better experience. It is better for everybody. If

the purpose of the CIP is to show the priorities of Council and community, I think we need to make a bigger statement regarding bike infrastructure to communicate that priority. We know that the transportation plan is coming. When we have that plan done, there will be a lot of need for infrastructure and investment in that. Maybe it is \$100,000 for the next 2 years. With the out years beyond that, we must start planning for spending that is going to happen once things start coalescing. What I am nervous about seeing is a lull and a jump where we must save up for something before we can do it when constant progress is going to be better both for usage for people and to reinstate our priorities. I understand wanting to make sure that our budget is streamlined with things we will spend, but knowing that it is also a signal about our priorities to put some extra numbers on the out years if that is something that we are going to need to be investing in and we want to invest in.

Do we have a work plan for hardening our quick builds? Is that money reflected in here?

Mr. Chambers – The quick build projects that we have out there right now are currently under evaluation. We put out a lot over the past summer, about \$500,000 worth of quick build projects associated with transportation improvements. We will be spending the early winter and spring evaluating those and figuring out what are the next quick builds that we can roll out, largely using neighborhood transportation improvement funds and potentially Safe Routes to School funds. As part of that evaluation, we would also be looking at other opportunities here to harden that. Are there cheap ways of hardening that? Are there materials that we can put in place? We don't know the answer to those things right now. We do have some funding through neighborhood transportation improvements to be able to do that.

Councilor Oschrin – That might be something to think about in putting more money into that project. I don't know what line item that would fall under. I appreciate all the quick builds that have gone in and that there is more and the coordination with Public Works in getting the paving scheduled. I know there are a lot of moving pieces there.

For the affordable housing portion, something that Commissioner Stolzenberg had asked during the work session was the plans for the approximately \$11 million that we will get from those 3 big projects we have coming online.

Ms. Hammill – We first need to get the money. As that starts to materialize, I think plans will begin coming forward for how to spend, for suggestions, and for approval from Council on how to spend that.

Councilor Oschrin – I want to hit the ground running with that in the same way that we are not 'socking' away money until we have projects here. It seems like we will get a lot of money but not have the projects. If there are suggestions for that, I don't know if that is something we provide now, send an email, or both.

Something that we have talked about before is Crossings 2. We have been focusing on our low barrier shelter needs. With permanent housing, there is Vista 29 coming on board. Crossings 1 already exists. The need will continue to grow. I know repair and replacement funding to keep people in livable houses, energy insulation, funding AHIP at a greater amount, eviction prevention, the tax abatement program that we are looking at NDS for larger projects. I don't know if that is an offset funding source. I am curious about whether the plan would be to use it to replace already allocated funds or if it would be to add to it. I know that is a conversation that we need to have.

Ms. Hammill – With every year, we continue to talk about the CIP, the CIPs get more aggressive in terms of what we want to spend. As we have been talking over the last few years, we are not at capacity in terms of our debt. Affordability is an issue. As these funds come in, they might be able to replace. Most of the affordable housing projects that are in the CIP now are required to be cash funded. They cannot be bond funded. There

may be some opportunity to redirect those funds to some of your other priorities. All those things are on the table. I am sure Mr. Freas and Mr. Sanders would love to start getting some of your ideas.

Councilor Payne – With CATEC, are we anticipating that at any point over the next 5 years a request for additional CIP expenditures related to CATEC will be coming?

Mr. Goddard – I would be shocked if nothing came out of a new facility that we are stepping into and figuring out how we use it. Nothing has come through yet. We are conducting a planning exercise for the long-term future of all our schools and facilities right now. If something is going to come up, it would probably come through that process.

Councilor Payne – There is not yet a known sense of scale of what a request might be.

If the state legislature approves and passes a 1-cent sales tax for school facilities, is there, at this point, an expected date for when that additional money would be reflected in the CIP?

Ms. Hammill – As soon as we possibly could. We have a lot of projects we can use that money for.

Mr. Goddard – I don't know when it would make its way through the legislature. We do have our planning group that is meeting and putting together the long-term planning exercise to put together a capital plan for all our schools and facilities to be prepared for when that happens. If it does not happen, we will scale down our plans or stretch them out over more time. We are poised for that.

Councilor Payne – It sounds like in 2 years there would be the existence of a list of priorities throughout the school district that would be ready to be plugged in with funding.

Mr. Goddard – I would say that it would be sooner than 2 years as our goal. I would say more like 1 year. How long we stretch that out depends on how many new needs come to the forefront. We are at the beginning phases of that process now. I am sure there are a great number of needs. I anticipate that we are ready with a list of projects to get started on. We will flush that out more during this time we have between now and when those funds become available.

Councilor Payne – With the inclusionary zoning in-lieu fees, in my opinion, it must be on top of our existing \$10 million commitment. As I understood it, the structure of our in-lieu payments to not do that would be to abandon working class families in Charlottesville. That kind investment is the only thing that will provide housing for people at 0 to 30 percent of area median income. It is vital that we don't utilize that and just view it as covering our existing \$10 million a year commitment. It sounds like at this point though that if that \$10 million of in-lieu fees come, there is not yet a process for determining how they would be spent or how to solicit requests to evaluate how it could be spent. Is that correct?

Ms. Hammill – I would say yes. I would say that all those decisions would be coming back to Council for your decision.

Councilor Payne – With pedestrian infrastructure, there is the conversation around funding, which is very important. As the money is spent, what are the internal performance metrics for evaluating success or failure? How are you measuring how it is spent?

Mr. Chambers – We have several projects that we have identified for the existing funding. Those were projects that were identified in previous plans. Once we put those projects into place, like the 5th Street Bikeway, we will be looking at things. What were the impacts on vehicular traffic? Did it change the delays? Did it add to the

volumes? It is the same with bicycles and pedestrians. We will be looking at installing counters, so we will understand what the change in traffic is that we are seeing along there. We would also like to collect community feedback and understand how people react to this new facility being in their community, how they feel about using that facility. Does it feel safer? That is a big factor that we are trying to understand with these investments. Is this something that is making people feel safer so that they can use these facilities and feel like they have a mode choice given these infrastructure improvements?

Kellie Brown, NDS Director – The creation of this citywide transportation plan is also an opportunity to identify what our real goals and metrics are for evaluating program and project success. As we look to scoping and building that plan out, it is an opportunity to identify what we are looking for when we fund and build these projects.

Councilor Payne – That makes a lot of sense. It sounds like that process will be a key point for saying explicitly what our performance metrics are. Depending on what our performance metrics are, are we going to incentivize completing a higher number of low impact projects or a lower number of high impact projects? I would also say that our trajectory is positive. We are far better than we were 3 years ago. Some of our larger projects are still experiencing a significant number of delays and cost escalations.

Ms. Brown – That is a good point. The transportation plan can be an opportunity to establish those priorities, identifying where we are looking for smaller interventions versus larger scale investments. I agree with your point there.

Councilor Payne – To answer 2 questions from the Planning Commission, my understanding is that the timeline for completion of the resident led development of Westhaven would not be in the next 2 years. There is a long way to go in terms of applying for and securing funding of multiple sources. In terms of the purpose of the CIP, planning is important there and transparency is important for the community. Part of that transparency is being able to communicate to the community what we are prioritizing and what we are not prioritizing. I think part of the transparency is the community being able to understand that. We have made a huge amount of progress in terms of the budget explorer tool and the amount of information and transparency that anyone can access there compared to 5 years ago.

Councilor Snook – I am curious about the \$100,000 a year that is being set aside for Dominion Power Pole replacement. We have talked a lot about that in several different ways. I had not talked about it. We had not talked about it in terms of more money that the city was going to have to put out. What is that going to be for?

Brennen Duncan, City Engineer – As we start working with Dominion about addressing ADA issues with the poles, there will be instances where a pole cannot be moved. It is on the sidewalk and there is a no parking area that we can take to build a bump out or there is a retaining wall behind the sidewalk to where there is not a good spot to move it. We will have to acquire right-of-way either to build a sidewalk around that pole that is ADA compliant or to give a spot for those poles to move. We don't have an exact number of how much that is going to cost. There is going to be a cost associated with this moving forward. We wanted to put something in there to identify that we will have to expend some funds here in the next several years as we try to address ADA issues as they come from these power poles.

Councilor Snook – If the pole is in a place where it needs to be moved, it probably is not ADA compliant. Is that fair to say?

Mr. Duncan – That is correct.

Councilor Snook – If it is not ADA compliant, why is it not an obligation of the people who put it up in an ADA non-compliant fashion to fix it?

Mr. Duncan – Many of these poles were installed before ADA was even a consideration. With the new ADA rules that are coming out or have come out, even the ones that came out in 1991 allowed for the narrowing of the sidewalk around impediments. With the PROWAG, that no longer exists, that kind of exemption for power poles and fire hydrants. The new requirement is that you must maintain 4 feet no matter what. What is ADA compliant has changed over time. We have narrow right-of-ways. Sometimes there just isn't room within what we currently have as the right-of-way to move the pole. While Dominion might move the pole at their own cost, we must give them a place to move.

Councilor Snook – It is easy for me to understand. Since the pole was put there, the rules have changed. It is now non-compliant. Under those circumstances, I think Dominion has a right to say that they don't have to move it if they don't want to.

Mr. Duncan – That is correct. As a city, we still want to make it compliant. You are right that they probably have a case that they don't have to make it compliant. Over time as poles are replaced, it is grandfathered in. Once you start making modifications, if that pole is hit by car, they must replace that pole. There is no place for that new pole to go that is ADA compliant. We need to work with them to give them a spot. Either move the pole or it might be simpler to extend the sidewalk around the pole to get the space we need.

Councilor Snook – With right-of-way-of-pertinence, it is \$150,000 a year. I understand the concept of right-of-way. What is right-of-way-pertinence?

Mr. Duncan – This is mainly guardrails throughout the city for right-of-way-of-pertinence. As they are struck, it is repair, remediation of those.

Councilor Snook – I was curious about several things under the Affordable Housing category. I note that in this year's budget explorer, we have a total of about \$6.4 million set aside for 2 PHA projects: the MACAA site and Park Street Church site. None of the money has been spent. Nothing is allocated for future years. Is there an issue with getting those built?

Ms. Brown – Those projects are still in the queue. We are working through the details of the loan agreements and expect to be able to disperse funds for those projects within the next year.

Councilor Snook – It would not be necessary to allocate other funds into the CIP to do that because that money is already allocated.

Ms. Brown – That is correct.

Councilor Snook – I am curious about the progress on the Carlton Mobile Home Park. I note that we have money in the budget for this year totaling \$1.4 million with FY26 expenditures a little over \$1 million with \$371,000 left. What is the status of that project and that funding. Is that going to be sufficient to carry us through?

Ms. Hammill – The money that is in the CIP is just the money that is for the loan to make the purchase. In terms of the project, I don't know. You reminded me because that budget for this year is more than what we need to pay out. We may be able to make an adjustment in these other years.

Councilor Snook – Is it your thought that perhaps the \$1,082,087 in this fiscal year is what is going to be necessary for this fiscal year?

Ms. Hammill – I know the payment schedule has change. I know there was a principal payment made this year. I will have to check. There might be some extra money there.

Mr. Freas – The agreement that was struck between the PHA and Habitat partnership and the residents was that they had 3 years to stay within the mobile home. They have 3 years to stay within the park before they begin redevelopment of the park. The intention is for everybody who lives there to have the opportunity to stay within. I believe that they have begun planning redevelopment park. That is going to be another resident led effort. We have not heard at this point whether there are going to be any additional requests for funding. The agreement discouraged the idea of coming back to the city for additional funding.

Councilor Snook – What is in the budget right now shows for 3 years roughly \$227,000 a year and \$4 million for FY30 payment. What is being done in 2027,2028, and 2029 for \$227,000 a year?

Mr. Freas – That is still paying for the purchase of the land. We are paying the loan to buy the land.

Councilor Snook – I remember 20 years ago it was a thing to talk about programmatic budgeting. People realized programmatic budgeting is nice. You still must make the numbers add up. We have the numbers to add up. There is a point of programmatic budgeting that has a distinct advantage. If it is done right, you might generate one page, for example, that would talk about all the money we are spending on affordable housing. In the last paragraph, it would say, ‘here are other things we are doing.’ We could talk about the ADA compliance money and how that works to facilitate bike/pedestrian things. It might be useful in the city manager’s office rather than in the budget office when the city manager comes out with a budget at the beginning of March. There is at least some discussion of some of those programmatic consistencies and overlaps. We can look at it all. With the point about payments in-lieu, we have never had the discussion that I am aware of that attempts to say what we think ought to be done with that money. I am opposed to earmarking things because we are always trying to figure out whether we can get around that earmark to do something else we need to do this year. I would encourage us to think about it in terms of perhaps looking at that money as either perhaps being direct expenditure on affordable housing things or to recognize that there are several other aspects of our budget that end up touching in some way on housing. Transit is one of those things. Workforce development is another one of those things. One of the best ways to get affordable housing is to increase people’s incomes. I would hope that we would not end up thinking of that \$11 million as an earmark specifically to building buildings but looking at the problem of poverty and affordable housing with a broader scope. When we decided that we would buy CATEC, one of the things we wanted to try to do was to think about how our ownership of CATEC might interrelate with other workforce development issues. Who is going to be looking at the use of the property? Who is going to be looking at this workforce development issue? Is it only going to be in the school division? Is it going to be the school division and some other group of people who are going to be considering these other issues? If we are given the opportunity or difficulty of the 1 percent sales tax bump, that would have to pass a referendum in November. It would be political malpractice for the city not to have a list of what would be spent no later than July 1st. If we don’t have a list of that by July 1st, anybody who is going to be campaigning in favor of passing the referendum is going to be seriously handicapped. Whoever is going to oversee that effort going forward, that is going to require a lot of work. It is going to require a lot of thought. It is going to require a plan.

Mayor Wade – I will talk about CATEC. It came up today in my meeting with the workforce committee that I represent Council. The school division has hired Sarah Morton to help lead that. She is doing a great job. She talked about some of the things that they are doing to help lead and guide that. I know that is being done. I wanted to add that on to your questions. I go to PHAR meetings a lot. They ask a lot of questions about it. As

soon as we get information, it is not only that, but also Kindlewood and its various stages. Costs are going up. We are not as sure about the federal funding even if it had been promised. I want to make sure. It is hard to determine how and if that is going to impact our budget. A lot of times they will come to us if they lose some of the funding. These don't require responses. With the shelter, we buy it. The next phase is to renovate it. We then must operate it. I imagine that it is going to have an impact. It is probably not anything referring to this. I am just looking at the pool of money that we have to go from. Another issue that travels on Locust every day is the work that they are doing there. I know that they are doing some water main work there. The cost of maintaining all the aging infrastructure that we have in the city.

Commissioner Stolzenberg – The \$11 million of in-lieu funds are in the form of a proffer of a donation to the Affordable Housing Fund and in part in required in-lieu funds under the old 34-12 ordinance. I would caution against repurposing those funds lest we violate the proffer and potentially must give it back. You can repurpose other funds. The old ordinance did specify the affordable housing fund. That \$11 million is under the old ordinance.

Councilor Oschrin – It would replace funds that had been allocated already towards affordable housing projects. The question was not whether we can use that \$11 million for other things. If we already have money allocated from the General Fund that we are putting towards certain projects that are affordable housing related, does that \$11 million replace that or does it add to that?

ii. Public Hearing

Public Speaker #1 – I want to talk about bike infrastructure. We should caution about the evaluation. If you build a bridge that is connected to nothing and nobody uses it, it is not that bridge's fault. It is not connected. All the success stories in many cities across the world were about the speed, how quickly they built that connected network that led to the success of the bike infrastructure. Regarding raising income, an interesting statistic is that on average, Americans spend \$12,000 to own a car. If you replace a car with a bike, you save more than \$10,000 per year. That is \$10,000 more a year. You can spend it at local businesses. By riding a bike, you get healthier, and you don't spend as much money on healthcare. Studies have shown that this is the case. Every dollar invested gets a return between \$3 and \$5 to society. It is one of the highest return investments that we have. It does not work until it is connected and saved. Nobody will use it until it is connected. With climate change, investing in bikes and climate change, public transit is one of the cheapest. I wanted to mention that. It is baffling to me that the city is not able to spend the money. Everywhere I look, it is unsafe. I cannot let my kids ride their bikes by themselves. I don't think it is safe. I take my son to school. With every street, there are no traffic calming measures. Every time I cross Locust, I get nervous and tense because cars are driving fast. There is no infrastructure to slow cars down. One of the best ways to let kids learn better is to let them walk and bike to school.

Terry Tyree (South First Street) – I had a couple questions about what I heard today. Is this the only CIP public hearing? Why does Pre-K take \$46 million? I am not knocking on education. That \$46 million is more than the affordable housing fund. Westhaven has no answer on how much the redevelopment will cost or when it will be done. Westhaven residents have been primarily here speaking on the LV Collective. To leave them out once again by not having the answer for the fund or how long it is going to take for redevelopment is ridiculous. The decrease over the decrease in affordable housing and for the redevelopment of properties was a big question for me. Where was the need regarding the bridge that was just built? I am sure that you had something to do with that. What was the need for that bridge? How was it measured? How much was it to build a bridge from Seminole to Stonefield? It may be simple to create a plan or a budget to come up here to show City Council. For the public, asterisks, subcategories, and subsections are needed. Break it down. If the only place that you have these meetings is online or here, you want to simplify or clarify where the money is being allocated to the

public. Were the funds that are being allocated for everything brought to the public? I know we are having a public meeting now. I am not sure how long it has been going on and if there is another one. Was that documented? Are the comments from the public a part of the CIP? There was \$21 million that rolled over last year. How come more money is not put into the affordable housing fund? A one cent sales tax referendum in November does not give you much time to list how much money would be spent on the school facilities from the sales tax.

Andrea Carr (CRHA Properties) – I am PHAR member. I am very passionate about Westhaven. I grew up there. I moved to Friendship Court. To see Friendship Court getting a full renovation with a different building and different setting. To see Westhaven still be that way, I know that money is tight. If we can squeeze money from poles, bike lanes, or different buildings, we can squeeze this money for Westhaven. There are children over there still playing in the park. The ground is falling in and we are worried about bike lanes. We are worried about a bridge that we just built over 29. A lot of people asked that question online. A lot of people are wondering what that bridge was built for. It does not make any sense. Coming out of Michie Drive, I wish I was here to have input. There have been about 20 accidents since that happened in that area. I feel that there is money somewhere that somebody could be squeezing from. We can do a little more. Let's start with the park. We have these kids going to school. When they wake up in an environment where they cannot even play freely, that is not fair. Would you allow your child to play in a park with part of the park sinking in? Let's treat everyone's children, who are the next generation, that we want to run Charlottesville next.

Mike Wedet (100 Avon Street) – I try to bike to get around town as my primary mode of transportation. The bike infrastructure is inadequate. It is not safe to bike around town a lot of the time. Bike lanes disappear at random when you are going down a street. If the city's goal is truly to create and maintain a safe, convenient, and pleasant network of bike lanes for pedestrians, the city should consider increasing the amount of funding that is going into the CIP starting 2027. Even with all the planned projects, all the funding that has been allocated, those projects are not going to create a safe network. There are a lot of needs and a lot of opportunities to invest in that. We can do bike lanes and affordable housing. We can do both of those things. We can invest in Westhaven. I think Westhaven would also appreciate having some bike lanes so they can get around town as well.

Peter Krebbs – I am speaking on behalf of the Piedmont Mobility Alliance, which is a coalition of over 40 organizations, businesses, agencies, and groups that share a belief that a prosperous community is one that is well connected with everyday access to the outdoors for everyone. We are working on a sign-on letter. We wanted it to have a lot of signatures more than getting it to you quick. Some of the highlights have been addressed here today. Commissioner Stolzenberg asked a good question. What is the point of a CIP? What is the point of a budget? We have a Comprehensive Plan that talks about walkability and prosperity for all. The budget is where that stuff shows itself in reality. The CIP is where the stuff is made. What we have seen is if it is not safe to walk, people still walk anyway. They try to get around and they wind up dying. Why was there a pedestrian bridge built on 29? People keep dying there. Somebody died there a couple weeks ago. This stuff is crucial. It wasn't cheap. I did want to correct one small thing. The milling and paving do not create bike infrastructure. That just does the pavement. Any markings and any protection are the bike infrastructure budget line. Spend \$100,000 and you get the network that we have. You get the lines that are wiped off. They are not protective or safe. I appreciate how we are doing a methodical way of planning. We know that we have about 2 years before we get the comprehensive transportation plan. We have about \$1 million in the bank for bike infrastructure. I think FY27 is going to be Ok. FY28 will not be Ok. I am not confident that you will have the plan ready for that. I would go ahead and be ready with these projects that we know we will have to do. West Main will be torn up for the sewer line. Don't let that opportunity to repave it right with proper markings pass away. I would also like to point to the Parks Master Plan. That is one of these unserious numbers. It is \$500,000 toward a \$70 million price tag. That will take 140 years to implement the plan at that rate. It is just not serious. I would like to see larger numbers for that.

James Van Brink (Ridge Street) – The clarity that we heard from Mr. Chambers was very helpful. I trust him when he says that he has enough money. I would only ask that be better communicated in the CIP and planned for. We know that we will spend a lot on these essential bike projects within the next 5 years. It is not reflected in the plan. I would like to echo the calls of TBD or asterisk would be clearer than what we have. I would also like to echo Commissioner Stolzenberg’s and Councilor Oschrin’s points on operational expenses. We have heard a lot this year as advocates about opportunities that were lost because of miscommunication, lack of staffing, or bad cross departmental organization. I know it is hard to get right. The amount of money that we are spending on public works employees, getting enough people on the streets who can build these things. We know all that matters. My other point is about the huge success this year we have had with the installation of the temporary quick builds. The feedback we have had as committee members on most of these projects has been overwhelmingly positive. There are a lot more places where it is needed. They were funded with neighborhood transportation improvements and cost around \$500,000 this year. The CIP has funded it at only \$100,000 for next year, which means little money for quick builds and no money for making them permanent. We understand that they can’t all be made permanent right away. Allocating no money for them this year seems like an awful loss of momentum. It risks turning 2025 into a flash in the pan and wasting the money and organizational effort that I have seen these guys behind me making great strides.

Chris Meyer (124 Oak Lawn Ct.) – I came to Charlottesville and have 2 young children. I was concerned about sending my children to the public school system because of the infrastructure and the status of our school buildings. As we consider the long-term capital investments, we are thinking of those investments through in the school infrastructure to ensure our youngest are going to school in properly functioning and adequate education spaces. A lot of them need upgrades and remodels. I was happy to hear that the staff is coming up with a list of coherent investments that need to be made in our schools. That will not be cheap. We have not invested over the last 3 to 4 decades in the schools. We have set aside Charlottesville Middle School. We will be needing to make substantial investments in those building to ensure our students have the proper educational opportunities.

iii. Commission Discussion & Motion

Chairman Schwarz – I do consult for an architecture firm. One of their projects is one of these affordable housing projects. I am not working on that project. I am not making money from that project. I figure that I need to disclose that. If we start discussing that project, I will not speak. I will abstain from that.

Commissioner Solla-Yates – I have been watching the events in Richmond with great interest. I keep hearing the word ‘money,’ which is a word I love to hear. I think we will be having money coming to the city for projects in the next year, not just for schools, but for everything we do. I advise that we have projects ready to go for state funds to spend on.

Commissioner Joy – If we have general comments that are not tied to an amendment, should we get those out of the way first?

I am speaking as a city resident and taxpayer, not in my capacity as representation from UVA. I am appreciative of the ongoing commitments to those 3 top categories in the CIP with Education, Transportation & Access, and Affordable Housing. These are near and dear to many people’s daily experiences and knowing that this place can be the best version of Charlottesville that it can be. I think the work with the CIP team has been great. I can already see improvements in the tools of how we go about and review this. What is tricky for the public is that the CIP can be mistaken as a planning tool. It is really a cash flow tool. I know there are planning documents that help influence the CIP. When we are trying to design consensus and trying to get people around these difficult topics of how to spend our limited resources, I wonder if the tool, in its current form, is in its optimized

state. The Councilors had great points about how we can be clear about this. We see that there is some confusion around bike lanes. There is confusion about how we are going to earmark affordable housing in the out years. This one shows it diminishing. That is not necessarily what we will spend in the out years. I am curious about the data portal. We have these interactive maps. Is there a way to create links within this tool to begin to highlight areas that are potentially being targeted in the CIP or some way to bring clarity to how we prioritize these projects. I know about the 2015 transportation master plan. There is great work already done showing what areas don't have great accessibility. I think of the documents we generate and how they can help facilitate the conversation. There might be opportunities to try to perfect the tools. As we continue and look at these projects, we are using things that bring as many people as possible to the table for the discussion.

Commissioner d'Oronzio – I agree with you. We have an intrinsic tension. There is a misapprehension that this is a strategic planning tool, not a practical spending tool. If the strategic planning and the integration of that with how we will spend the money is not clear, what we get is a great deal of confusion as to what the priorities are. We have the beginnings of a strategy. We need to have a real plan for the entire city before we can start talking about spending money on specific things. The City Manager's position on this from a practical point is that he does not want this to be an aspirational document. He does not want us to throw money in there that we will spend when we get there since the decision tree that is made must do with how we are bonding and how we are obligating the city. That is really complicated to get across. I understand that we are trying to hire a chief strategy officer for the city. I think that job #1 for that would be to develop a communication strategy for that. I don't think that we are there. With the housing, we will spend \$10 million on those out years. We don't know what we are spending it on. Will we find a way to spend it? Will we spend \$10 million in 2031? That is a difficult process to have a conversation about the cash flow and strategy at the same time

Commissioner Joy – I agree with that. I wonder if there is an opportunity for some way to acknowledge that this line item is in conformance with an existing plan. Does this line item go with the Comp Plan? It is an indicator when things are in conformance with previously planned road maps versus things that are maybe new to it. If you have the thing, people can then have a breadcrumb trail to find those comp plans. I think getting public engagement, getting people to understand how it is working cohesively. That is almost impossible looking at the CIP document. I don't think this is the document. I wonder how we can create links to help facilitate that engagement and that understanding so we can get the consensus.

Commissioner d'Oronzio – It sounds like a great priority for the new chief strategy officer. It is one of the great difficulties. In the affordable housing space, do we need a line item that is based on the idea of knowing that we are going to have large projects and competitive funding for it. We are committing to spending the money. This line item is a strategic development line item that we can put out for competitive bid down the line. Does that belong in the CIP? In the absence of a strategy document that links to it, maybe it is.

Motion to Approve – Commissioner Stolzenberg – Move to recommend approval of the FT27 Capital Improvement Program with the following amendments. Second by Commissioner Solla-Yates.

- **Increase expenditures on affordable housing including the incoming in-lieu payments in FY29, FY30 and FY31 by creating a plan for the competitive transparent process by which those expenditures will be selected. There is a need for staff and expertise capacity.**
- **Fully fund quick builds to the extent of our capacity for next FY. Ensure that funding is adequate to address all-time sensitive projects that are pending on bicycle transportation prior to the transportation plan.**
- **Create a plan and allocate any funds required including in this Fiscal Year to obtain safe harbor for IRA solar projects for all contemplated projects.**

Motion passes 7-0.

Commissioner Solla-Yates – Increase money for the Charlottesville Affordable Housing Fund in out years following FY34.

Commissioner Stolzenberg – The CAHF is a specific fund within our affordable housing umbrella. What we don't have now is any real strategy for what we are doing altogether for funding things. I earlier asked what the purpose of a CIP was. I heard a lot of good things. I agree with all of those: to be planning for things that are expensive to tell the public what we are planning and what expensive things we are planning on buying. I have been spending time in the last week looking through the CIP, looking through old CIPs. I was surprised today to read an article that one of our CIP items will have an off cycle budget request come to Council in less than a week to buy a portion of the property for something that is not a surprise expenditure. It is not something that unexpectedly popped up. It was easily knowable a long time ago. I am talking about 501 Cherry. I was asking for \$1.7 million to buy a retail condo for a grocery store, a retail condo that we knew was going to be there when the SUP was approved years ago before any funding was even in the CIP. My frustration at that not being planned got me thinking about how we don't have any plan at all for how we will spend the money we commit to affordable housing. Specific projects have popped up there due to one-off commitments that we have made or because they were the only things that were being brought or people were asking for money. We are finally getting to the end of that backlog of random things that people have asked for money for or projects that Council committed to. That is an opportunity to think through what our plan is for affordable housing. We spent a lot of money on an Affordable Housing Plan that was supposed to get that. It came with a commitment to spend \$100 million. We now have more than \$100 million out the door already before we are talking about making a plan. That is alarming because we spent a lot of money with few criteria for how we decided what would go to what. In many cases, we don't even know what we were getting for that money. We should not have funded a lot of money for Kindlewood, seen it built, and then be surprised when residents are moving back into their homes and they are not at the income levels that we thought they were going to be. All these projects have been complicated and large funding stacks to get done. We don't know what those are. We don't get a performa. Just for Kindlewood Phase I, I tried to compile all the different funding sources that I could find in press releases and such. There are over a dozen on that. I don't even know if it is complete. I don't think we are requesting that money or that information from our grant recipients. That is leading to our overall affordable housing program being completely aimless. We get the money out the door and we get some affordable housing. We hardly know what we are going to get. We are not prioritizing the way we said we were going to. My recommendation for an amendment would be to create a plan for the process by which both the \$11 million in expected incoming in-lieu funds to the affordable housing fund and all new out year expenditures will be allocated to affordable housing projects.

Commissioner d'Oronzio – We are also speaking to a capacity issue. We are now in a position where our capacity to manage affordable housing is frankly crippled. We have one excellent staff member. We can see 'her eyebrows over the pile of stuff on her desk' barely. We have lost capacity. We need more than we had before we lost it. We need a strategic planning level. We also need a system that we can put in place that has measurables that are less ad-hoc than what we do. We do have measurables, but they are ad-hoc. We need a lot of that to make any of that work. I don't think we can get out of the starting block with your suggestion if we don't have capacity to do it. We don't have the capacity right now to do it. I don't see a quick fix for that either. It is not a matter of finding bodies, it is a matter of finding the expertise that can come in and develop this over time. Capacity is a big part of all that. We don't have it.

Chairman Schwarz – Let's get through the list that we want to put out. It would be good to have a list. You skipped over Commissioner d'Oronzio's capacity issue.

Commissioner Stolzenberg – The capacity issue is an operating budget thing. It is something that was called out in the Affordable Housing Plan that we were supposed to be tending, spending 10 percent of our money on figuring out how we are going to spend our money and keeping track of it to make sure that we spent it right.

For a while, we did staff up. There has been some turmoil in staff related to that. It might be worth calling out that we need the staff and we need the expertise to create that plan for that process and to successfully run that process. I would agree that it is not a capital item.

Commissioner Solla-Yates – A plan can be a bondable expense.

Chairman Schwarz – You just mentioned adding money for Westhaven in the out years. I am still confused as to what the \$15 million that has already been allocated is.

Commissioner Stolzenberg – My understanding is that the CRHA asked for \$15 million to supplement LI HTC and the rest of their funding stack. Unless it was somewhere other than the requests table that you gave us, I did not see a new request for more.

Ms. Hammill – That is correct. The money that is in the CIP is exactly what the CRHA requested for that project. They do have other funding in the planning of that as well.

Commissioner Stolzenberg – With regards to the timeline, according to their last free development newsletter, they are planning on applying for LI HTC tax credits in this coming cycle in March. I know they have their development plan in. It just got its first comment letter back, which is going to make it tight to get done in time for March. That is something of a tradition. The way these things work is they apply for LI HTC, they get the funds by late next year. Those funds will be committed, they go to banks, and try to sell those tax credits, and get the actual cash. They then start building. Their development plan has 2, maybe 3 phases.

Commissioner d’Oronzio – The CRHA, if it needs it, the CIP next year may have out year funding that we don’t see. Back to the City Manager plea not to throw money at something that they don’t yet have a plan for, I am not sure out year funding makes sense at this moment.

Commissioner Stolzenberg – They will need more money. I suspect that it will be an in-year money request. At this point, that is their request.

Commissioner Solla-Yates – Increase money for quick builds for next fiscal year.

Commissioner Stolzenberg – Wouldn’t that be the neighborhood transportation improvement line item?

Commissioner d’Oronzio – Is that a matter of allocating things? Is that an exhortation that if this can possibly be quick built, try to quick build it. Is that what we are saying?

Commissioner Solla-Yates – My understanding is that they are studying this right now and will be able to spend funds soon. They don’t know what those funds will be.

Chairman Schwarz – Mr. Chambers, would this be helpful to you?

Mr. Chambers – Until we finish evaluating our builds.

Commissioner Stolzenberg – I might recommend something like ‘fully fund quick builds to the extent of our capacity to continue to deploy them next year.’

I had something similar for bikes: to ensure that funding commitments in FY27 are adequate to address all urgent projects that are known to be pending or might come up prior to the Comprehensive Transportation Plan completion. To the extent that they think they have enough money for the things they need to get done before

the transportation plan is done, that is not a recommendation for change. We have all these paving projects. Hopefully, the schedule will finally be published. We are learning that these things are happening. We are starting to understand the scope of the West Main and Cherry Avenue repaving projects that we fully fund anything that can be done in the near term.

Commissioner Solla-Yates – The wording was addressing all urgent projects that are pending on bicycle transportation. Is that correct?

Commissioner Stolzenberg – It was to ensure that funding commitments are adequate to address all urgent projects that are known to be pending or may come up prior to completion of the comprehensive transportation plan.

Commissioner Solla-Yates – I have a final recommendation. Increase money for solar in out years.

Commissioner Stolzenberg – That is not what my recommended path on solar would be.

Commissioner d’Oronzio – I am befuddled, bemused, and betrayed by the current administration’s behavior towards this. I am not sure.

Commissioner Stolzenberg – We know what the incentive structure before us is right now. We need to be safe harbored. We need to spend 5 percent of what our eventual cost will be for each project. To get safe harbored by July of next year or we will not get that 30 percent solar credit for it. Office of Sustainability says that we have plans to get the middle school and high school ready in safe harbor by next year. We have 3 elementary school roof replacements coming up over the next 3 years. At this moment, there is no way that we can get those safe harbored via a power purchase agreement where a private company will build it, get tax credit, and we pay them for the power. Without any money in the CIP for spending 5 percent this year to get safe harbor for us.

I would word it: Create a plan and allocate any funds required, including this fiscal year, to obtain safe harbor for IRA solar credits for all contemplated projects. Otherwise, we are throwing away \$1 million. It is frustrating that it has gotten to this point after we have talked about solar every single year. I have been on this Commission in these CIP hearings. There was a line item before that. It is at least 2019, if not further back, that we were talking about PPAs. We still have not gotten a PPA RFP out the door. We still don’t know if PPAs are the way to go. We are now out of time. We need to figure out by July one way or the other or keeping out options open if there is a way to do that. We need to create a plan and allocate the funds if necessary to make that happen.

Commissioner Solla-Yates – The wording I have is to create a plan and allocate any funds required including this fiscal year for IRA solar projects for all contemplated projects to obtain safe harbor.

Commissioner Yoder – I think Commissioner Stolzenberg’s suggested amendment on the affordable housing fund, setting up a program for how that is allocated towards projects is related to Commissioner Solla-Yates’ first amendment on increasing affordable housing in out years. I think what we are hearing is that increasing funding in out years does not make projects happen. Staff must have a plan to spend that money. There are a lot of specific projects this year and the next couple of years. That is why the funding is higher. We get through those projects, and the funding goes down. If we had a program in place where we said we know we are committing x funds to affordable housing or we are getting these in-lieu fees every year. We know what is coming 4 or 5 years from now. We should build a program that makes sure that there are people in the development community who are going to build affordable housing who can start to plan for that and apply for funds. Ensure that the amount that we do have for affordable housing goes to the highest impact projects. At

least, it achieves our highest priorities for affordable housing. I think that we can find a way to make those 2 amendments one amendment. We are creating this program particularly focused on the out years where we don't have projects now. We know that we will be spending money on affordable housing

Commissioner d'Oronzio – I would call your attention to last year's set of recommendations #8 which reads 'create a funding line item for large affordable housing expenditures with a competitive program for selection for the out years, look to start funding in FY31.' I don't know if we cut and paste that. It is pretty good.

Commissioner Stolzenberg – If I recall, I had a slightly more expansive proposal last year that was argued down into what that became.

We still don't have a concept plan for Kindlewood Phase 4 that we have committed to fund. Why did that amount get picked? We don't know what the plan is. There is an amount in there

Commissioner Yoder – I know that with the in-lieu payments, we don't want to start allocating them towards things until we have the money. We have a couple of big projects under construction. We know that some significant in-lieu money is coming. Are we going to be prepared to use those funds? Since affordable housing is an urgent need, will we be prepared to move on it quickly? Is it the fact that we must wait until we get the funds, we know we will have the funds to start to make a plan? I am concerned that there will be too much of a lag between getting the funds, knowing how much we have, and turning around and trying to spend them on important projects. I don't know if there is a way we can suggest addressing that.

Commissioner d'Oronzio – We don't want to make these in-lieu payments the equivalent to what many states did with lottery funding and education. It was 'oh great, we have the lottery to fund education. Let's decimate the regular budget.' This is on top of our \$10 million commitment. We need to fight every battle we can to prevent that from being substituted.

Commissioner Stolzenberg – There is a tension there because ideally, we would spend it quickly and we would have already planned it. In practice, we don't have a good process right now that works. The details of creating that are going to delay spending that money. We don't want to wait too long because there are statutory limits on proffered money where we would have to give it back. It might make sense to spend all that money on cash projects we have already committed and spend other cash on future projects. Once we get cash proffers, the amounts and purposes must be specified in the CIP each year until it is spent.

Commissioner Joy – I wanted to acknowledge some of the comments that came up around the Parks Master Plan implementation. I understand these are highlighted yellow. They are not fully formed. I was not sure how the rest of the Commission feels about maybe asking for an amendment for some specific clarity around the Parks Master Plan.

Commissioner d'Oronzio – My sense is that by the time March comes around, that will be clearer. That was based on the conversation about these yellow lines. They are still in formation.

Commissioner Stolzenberg – I think the exact amounts might be in yellow. I would be surprised if they were going from 500 or 2.5 million total to 70 million by February without some explicit discussion about whether we want to implement the master plan.

Commissioner Joy – The reason I bring that up is that we have this core thread about being a culture of planning and a culture of implementation. It feels like this is a case in point where we see a completely divergent path.

Mr. Freas – If it is helpful to the conversation, we have a Parks Master Plan that identifies an annual list of projects that we would fund. We are just waiting to get a list of specific projects to insert into the CIP. We are using that plan as we have suggested we identify specific projects with the specific dollar figures. That is the specific thing we are waiting for, the dollar figures. That is the path we are taking rather than identifying a lump sum each year for a vague master plan implementation.

City Council meeting was adjourned.

IV. PLANNING COMMISSION ACTION ITEMS

V. Adjournment

The Meeting was adjourned at 8:26 PM.