

**BOARD OF SUPERVISORS  
REGULAR MEETING  
FEBRUARY 28, 2017**

At a regular meeting of the Board of Supervisors of Floyd County, Virginia, held on Tuesday, February 28, 2017 at 7:00 p.m. in the Board Room of the County Administrative Building thereof;

PRESENT: Case C. Clinger, Chairman; Joe D. Turman, Vice Chairman; J. Fred Gerald, Linda DeVito Kuchenbuch, Lauren D. Yoder, Board Members; Terri W. Morris, County Administrator; Cynthia Ryan, Assistant County Administrator.

Chairman Case Clinger called the meeting to order at 7:00 p.m. with the reading of the handicapping statement.

The Opening Prayer was led by Supervisor Gerald.

Supervisor Kuchenbuch led in the Pledge of Allegiance.

Agenda Item 4. – Public Comment Period.

Chairman Clinger called for the Public Comment Period. After no comments from the audience, the Chairman declared the Public Comment Period closed.

Agenda Item 5. – Ms. Becky Howell, Chair of Planning Commission – Presentation of Planning Commission Annual Report.

Ms. Howell stated the Planning Commission meets on the 3<sup>rd</sup> Tuesday of each month in this building. In October 2016 two members – Ms. Karla Turman and Ms. Evelyn Janney – chose to no longer serve on the Planning Commission. Their positions have been filled by Mr. Jeremy Yuvanavattana and Ms. Deborah Baum. I was elected Chair and Jeremy [Yuvanavattana] was elected Vice Chair.

We have not been really busy with subdivisions this year. We only had five easements we had to approve and they were in compliance with the Comprehensive Plan. In addition to that we began reviewing the Floyd Comprehensive Plan. We have also revised our bylaws and our agenda format. We have written and adopted a mission statement.

Members have attended eleven regularly scheduled meetings, the Water Conversation about Floyd County in January 2016 and the Floyd County Planning Commission Retreat in August 2016. Some of us attended the Rural Planning Caucus at Mountain Lake. I attended the Board and Commission Chair Seminar. A couple of us attended the Planning Commissioner's Legal Seminar and we have also attended some Planning Commission meetings in neighboring counties to see how they operate.

Our goals for 2017 include to continue reviewing the Comprehensive Plan, continue with professional development, and to develop ways to communicate with the citizens of Floyd County as to their vision for Floyd County.

Thank you for the opportunity to serve on the Planning Commission and to give this report to you.

Agenda Item 6. – Mayor Will Griffin, Floyd-Floyd County Public Service Authority (PSA) – Request for Financing.

Mr. Griffin explained that he serves as Vice Chair of the Floyd-Floyd County PSA. Mr. Gerald and Mr. Clinger are also on that Authority with us so this is not news to them. We have spoken about it. We're doing some upgrade work. We've got one big sewer project for \$1.4 million. We will obtain financing for that. The financing we have to do for that requires us to put in a cash reserve. We are sitting on about \$800,000.00 in cash in the PSA. Of that money about \$115,000.00-\$120,000.00 is already reserved now for other debt. When we do this it is going to take about \$350,000.00-\$375,000.00 more to reserve for the future debt. That will leave us with not limited working capital, but a restricted working capital which brings me here tonight.

We have another project that we want to do and that is replacement of some water lines. We have about a 1650 feet section of waterline on West Oxford Street and about a 2000 feet section from the stoplight at Rt. 221 down the hill to Food Lion. The West Oxford project is estimated to cost about \$162,000.00. Rt. 221 South is estimated to cost about \$176,000.00, which together totals \$338,000.00. That estimate is about 1 year old, so we are expecting about a 5%-10% bump whenever we get to real numbers for today.

At a PSA meeting, we discussed how we were going to finance this. Typically in the past we went one of two routes – the Virginia Department of Health or Rural Development USDA loans. Those loans are pretty favorable in terms. The length of those loans can be 20-40 years depending on the size of the project. This allows you to manage your debt payment, but the flip side is they want you to tie up some money so that it secures the loan. Not wanting to tie up any more than we already have to tie up, we as a group thought maybe we can come to the County and ask if the County would be interested in financing this project for us. We are looking at about \$350,000.00-\$400,000.00. When you come to the table you can't be real demanding, so you can name your terms. We would be very appreciative if you would consider it. If we can't make that happen, then we will probably come back to you and ask you to co-sign the loan for us.

Chairman Clinger added they will require us to co-sign, not to help on the terms but it is a requirement that they specified.

Mr. Griffin stated the projects are much needed. They have to happen one way or another. It could just take a little bit of stress off of the PSA if you could jump in and help us out here. Our Superintendent is talking about retirement, so we will be having a change of the guard. If we can take some of the other pressures off, there will be enough going on there to keep everybody's hands full for a while.

Chairman Clinger provided more detail. You said how we had to tie up that much money for the reserve of the note, but they actually required a rate increase to that amount.

Mr. Griffin acknowledged we will be having a Public Hearing on that next Thursday night to implement a rate increase for water and sewer. Given the debt load that is coming, we've proposed an increase that will cover the cash flow needed to make that debt payment. It will not really put any extra money into our pocket.

Chairman Clinger said we have to raise rates enough to pay off the loan in 3 years.

Mr. Griffin said they wanted us to build up that reserve so we could do that over time or just secure it with the cash we already have. More than likely the cash we already have will be the method we go to reserve that money. I know some of you aren't on the system. Those who are will see this in bills soon. Sorry about that, but it has to happen.

Supervisor Yoder asked did you say about \$400,000.00?

Mr. Griffin confirmed that.

Supervisor Kuchenbuch asked if that were for the sewer project?

Mr. Griffin said no the sewer project is about \$1.4 million.

Supervisor Kuchenbuch said then you are talking about the water lines.

Mr. Griffin confirmed that it was for water line replacement.

Chairman Clinger explained we were thinking on the PSA that given the position the County is in with cash on hand right now, that long term this would give us some interest back higher than we are earning on certificates of deposit, but still more advantageous for PSA than having to go to USDA. We are thinking maybe a rate somewhere in-between. It would be a win-win for PSA and the County.

Supervisor Kuchenbuch said I guess PSA is a safe investment.

Mr. Griffin replied I think we are. We have good management.

Chairman Clinger asked if a decision from the Board could wait until they were working on the FY18 budget?

Mr. Griffin replied yes the construction is not starting tomorrow. Probably the earliest we will start this project will be in the fall. We haven't gone to bid. I haven't heard a date mentioned in any of the [PSA] meetings yet.

Chairman Clinger said some of the system lines were put in during the 1940s.

Mr. Griffin agreed and said if you go down Rt. 221 toward Food Lion you can see where the road is all busted up. PSA had to repair that water line a couple of times. It definitely is overdue. I think it will be the beginning of some fixes around here.

Chairman Clinger explained that we are looking at going with some larger lines. At some places we go from 6" to 4" and back to 6". The idea is while Elwood [Holden, PSA Superintendent] is here instead of doing patches everywhere, go ahead and do some big replacements and bring it up to the 21<sup>st</sup> century.

Supervisor Yoder asked about the life of the loan?

Mr. Griffin repeated beggars can't be choosers. I would hope for 20 years. With the USDA rate, they make you pay points like you do on your home mortgage. The interest rate they actually give you is a little bit deceiving. The advertised rate is lower than what you are actually paying because they require you to pay down some points.

Chairman Clinger said we were thinking we need to figure out exactly what type of rate they were offering. Find out what the Treasurer is getting right now on our certificates of deposit. Figure out a common ground. Maybe instead of paying points just pay the origination fee or legal costs and let PSA pick up that.

Mr. Griffin said I can't speak for the [Town] Council but if you wanted to make sure everyone shared the pain, we would consider doing a proportionate share, possibly.

Chairman Clinger said we will give this our attention as we get into the budget cycle. We will keep you updated.

Mr. Griffin thanked them for the time and their work.

Agenda Item 9. – Approval of month-end disbursements.

On a motion of Supervisor Yoder, seconded by Supervisor Gerald, and unanimously carried, it was resolved to approve the month-end disbursements as presented.

Supervisor Gerald – yes  
Supervisor Kuchenbuch – yes  
Supervisor Yoder – yes  
Supervisor Turman – yes  
Supervisor Clinger – yes

Agenda Item 10.a. – Board of Supervisors support for grant application for \$25,000.00 to USDA for the purchase of two police vehicles costing \$60,000.00, with the County providing the remaining \$35,000.00.

Ms. Morris stated this is a request from the Sheriff's Office for authorization to apply for another grant for vehicles from Rural Development. If you recall we did this a couple of years ago. The total request for the two vehicles is \$60,000.00. The most they can obtain on the grant is \$25,000.00. Of course they will ask the County for the remaining \$35,000.00.

Supervisor Kuchenbuch said she assumed that will be in their budget request.

Ms. Morris replied yes, it will be in their budget request. Just remember that this is not a fast-moving grant process. If you will recall it took two years for us to get the last one. But we did get it finally.

On a motion of Supervisor Kuchenbuch, seconded by Supervisor Yoder, and unanimously carried, it was resolved to authorize the County Administrator to submit and execute a grant application to the U.S. Department of Agriculture, Office of Rural Development for the purchase of two police vehicles for Floyd County in the amount of \$25,000.00 with the remaining \$35,000.00 of the purchase price to be paid by the County.

Supervisor Kuchenbuch – yes

Supervisor Yoder – yes

Supervisor Gerald – yes

Supervisor Turman – yes

Supervisor Clinger – yes

Agenda Item 10.b. – Discussion/recommendation on County Fair from Committee.

Ms. Morris explained she and Supervisors Kuchenbuch and Yoder were appointed by the Board to a committee to make recommendations about the County Fair. The committee met several times to discuss this subject. We met with representatives of Chantilly Farm where the County Fair has been held. After considerable discussion it is our recommendation that at this time we leave things as they are for this year. Fair organizers are very far along in their planning. In speaking with one of the organizers, all of the folks involved in this group are way ahead of schedule on their tasks. They are adding some new things this year. I would suggest if you are still interested that we discuss it more during our budget session. This year's County Fair is scheduled for September 8-10.

It was the consensus of the Board to accept the recommendation of the committee to leave things as they are for this year and address it during budget sessions.

Supervisor Yoder said we need to think about this one year in advance or more. If we are going to spend money it is just so hard for us to do it after a budget is out there. I think it will work better for us if we are thinking about investing financially in the fair, then it needs to be part of our budget discussions.

Chairman Clinger said at budget time if we decide to put money in there it should be its own line item.

Ms. Morris concurred and said we can do it as a line item in the Miscellaneous Department.

Supervisor Kuchenbuch said there is a rich heritage for this. It took a lot of discussion and continues to be discussed. It has been good that we have opened the dialogue for the future of the Floyd County Fair.

Supervisor Yoder said the government moves slowly.

Supervisor Kuchenbuch agreed but said you want to be deliberate and you want to do things correctly.

Chairman Clinger said it is better to take your time and do it right rather than two or three times to get it right.

Agenda Item 7. – Chairman Clinger called for the Public Hearing on the proposed ordinance known as “An Ordinance Reforming, Amending, and Re-Establishing the Workforce Investment Area Consortium as the Workforce Development Area Consortium, a Joint Entity Between the Counties of Bland, Carroll, Floyd, Giles, Grayson, Montgomery, Pulaski, Smyth, Washington, and Wythe and the Cities of Bristol, Galax, and Radford, Virginia, and Bestowing on Such Entity All Powers Necessary and Proper for the Performance of Its Duties Under the Workforce Innovation and Opportunity Act.”

Ms. Morris read the call for the Public Hearing. She explained that this came about because of changes in both federal and state codes. There is no change in the purpose of the Consortium whatsoever. Adoption of this ordinance will approve the agreement and authorize the Chairman to execute the agreement.

Chairman Clinger opened the Public Hearing for comments from the audience. After no comments from the audience, the Chairman declared the Public Hearing closed.

On the motion of Supervisor Gerald, seconded by Supervisor Kuchenbuch, and unanimously carried, it was resolved to approve the Ordinance Reforming, Amending, and Re-Establishing the Workforce Investment Area Consortium as the Workforce Development Area Consortium, a Joint Entity Between the Counties of Bland, Carroll, Floyd, Giles, Grayson, Montgomery, Pulaski, Smyth, Washington, and Wythe and the Cities of Bristol, Galax, and Radford, Virginia, and Bestowing on Such Entity All Powers Necessary and Proper for the Performance of Its Duties Under the Workforce Innovation and Opportunity Act as presented (Document File Number 896).

Supervisor Yoder – yes  
Supervisor Gerald – yes  
Supervisor Kuchenbuch – yes  
Supervisor Turman – yes  
Supervisor Clinger – yes

Agenda Item 8. – Joint work session with Floyd County Planning Commission and Floyd-Floyd County Public Service Authority on amendments to Subdivision Ordinance for cluster development.

Chairman Clinger stated that there were three PSA members present but that was one short of a quorum, so PSA does not need to convene. He asked Ms. Howell if she would like to call the Planning Commission meeting open.

Ms. Howell stated the Planning Commission had convened their meeting.

Mr. Darren Coffey of The Berkeley Group provided handouts and presented a PowerPoint slide show. He introduced Mr. Drew Williams as the other owner of The Berkeley Group. Mr. Coffey stated Floyd County received VHDA funds to look at some cluster subdivision options. We were hired to partner with you on this. Our role is to help facilitate the process and do some research, investigation, and recommendations. We have been working with a project committee that consists of two Board members, PSA, and Ms. Lydeana Martin and Ms. Terri Morris. The presentation is a simple summation of where we are at this point. When you are doing projects like this, the process is key. The work the committee has done and the input they've given has really resulted in where we are at. The beauty of a joint work session is to share the information and receive feedback on it; share ideas and see where there are things that look good and things that are a concern.

What I propose to do is go through this presentation and then spend the rest of the time making and listening to comments and having a dialogue. I want to start off by reminding everybody why we are here. It is about: How do we encourage great development in Floyd County? How do we prevent bad development? How do we reshape development so that it suits Floyd and meets your vision? That is a great conversation to have.

I enjoyed hearing the Planning Commission's annual report. That is something all communities are supposed to do, but not all do and some don't do it well. This Planning Commission is busy keeping itself trained and looking at the vision of the community. That is awesome. The best friend of elected officials is a good Planning Commission and a good PSA. We are here to have this conversation in this context; to look at the rules as they exist and how might we look at tweaking them to better achieve the County's objective.

Right now Floyd County has several subdivision options: standard subdivision, lot subdivision, family subdivision as authorized by State code, and agricultural subdivision. And what we are proposing is looking at a new cluster subdivision to add to the toolbox to Floyd County's subdivision ordinance. The cluster subdivision is really two – urban and rural. Cluster subdivisions would allow smaller lots than what is allowed currently. The standard is pretty much two acres. As part of a cluster due to the centralization of utilities, you could do smaller lots than the two acres. The idea here is really to preserve open space. Mr. Coffey showed a slide that contrasted the visual look of standard roadside subdivision lots of two acres along the public roads of the County to a cluster subdivision. The cluster subdivision showed agricultural fields along existing road frontage with an entryway off that into the cluster subdivision. The clustered lots are offset from the road. The idea is that as you ride the roads of the County that pastoral feel remains and the residential is back. This slide illustrates the concept very simply.

I mentioned that we proposed through the committee two options – urban and rural. The urban cluster option is envisioned for areas with public water and sewer. At least for the immediate future we are talking about areas around the town. I believe Lydeana [Martin] said that is 300 acres. You want to encourage as much development of this geography as you can. You have the infrastructure here. You've got services – roads, water, and sewer. The urban cluster product would be a minimum of 50% open space. There would be no maximum density. You could have single family attached or detached residential, including townhouses. We are

proposing a maximum lot size of .75 acres. We don't want it to be suburban development single family homes sprawled out everywhere. That is traditional development. That is your regular subdivision. We envision more of a village kind of feel. If you are going to have density anywhere in the county you want your density where it already is, which is in and near the town.

The rural cluster is another product the committee asked us to look at and that would affect the rest of the county. It would be areas outside of the PSA service area. Yet with the utilities proposed in the rural cluster due to the centralized nature of them, we are advocating that they meet PSA standards. They would be built to very high quality, not an exorbitant standard, but it is an excellent standard to meet in terms of public health, safety and welfare. The rural clusters would be in the more rural areas of the county. There would be a minimum of 70% open space. The maximum density of the parent parcel would be 1 lot per 10 acres. The maximum lot size would be 1 acre. Again we are saying if you are doing a rural cluster you are going to have a central well, a mass drain field so all of these things are going to be regulated through a homeowner's association. You really just need a large enough yard for your house, so you don't need several acres. You will probably have less than 1 acre.

Those are the differences between the urban and the rural. The throttle on the rural as we proposed it is the 1 lot per 10 acres for the parent parcel. With the rural cluster we also said if you have 75% open space and 1 lot for every 10 acres parent parcel why don't we encourage affordable housing because the committee said it was important to the county? Let's give another bonus of lots for additional open space. We said what would happen if for every 3 affordable lots a developer proposed you could get two additional market rate lots. The developer is going to basically sell these lots to Habitat or guarantee through a loan process that they will remain affordable and be sold to low-moderate income qualified families, but in exchange I get two extra market rate lots. This is something that has been proposed in other communities. Depending on the market and the economy it can work. That helps to provide some level of affordability along with market rate housing throughout the county. It is an option. They don't have to do that. The other bonus would be if you don't do the 75% open space but you do 85% open space, then you get 30% more lots. Again if the objective of the rural cluster is to preserve and encourage open space, you are basically saying if you want to do a few more lots, then that is great but preserve more open space.

Another idea that has come up through the committee was keep it simple. Have the mechanics be as simple as possible. Let's not get into anything that is overly complex. The base product we've come up with achieves that objective. But another idea is to keep it even simpler than that. The idea is if a developer preserves 85% open space, then there is no maximum density just like with urban clusters. Just let people build what they can in the 15% area. We bounced that around. One of the things that you do when you are talking about policies and what are the benefits and what are the costs is see if it is doable and what would it look like if it were applied in real life. You start trying to come up with some examples. We came up with three generic examples just to see how the 1 per 10 compare with unlimited density for that 15%. For a 50 acre example with 85% open space with 3 affordable housing with 2 market rates as a bonus, you get 11 lots. If you say okay let's not get that complicated, let's just say with unlimited density in that 15% you can get 46 lots. In this case you are talking about 4 times the level of development. You might argue this is not going to happen. But my point is that unless it is regulated, it could happen.

On a 100 acre example with 85% open space you get 20 lots and on the unrestricted you get 74 lots, which is almost four times the number of lots. These are examples of how it could lay out. When it is unrestricted the developer has the potential incentive to pack it in. With a 300 acre example with 85% open space and affordable housing you get 65 lots and with unrestricted you get 220 lots.

Mr. Coffey referred to a handout provided by Lydeana Martin looking at how many acres are in Floyd County. Roadside development with 2 acres and 175 foot road frontage plus the agriculture subdivisions you get around 27,000 lots. Mr. Coffey stressed what is important here is not the numbers, which are high because you are not subtracting out for soils, topography, etc. The important thing is order of magnitude. The baseline of what exists on the books today gets you 27,000 lots. The 1 per 10 rural cluster plus the urban cluster gets you to 66,000, or 2.5 times more. And with unrestricted you get 176,000. What we are trying to do here is say if roadside development is what we don't want, and I'm not saying we don't want it, and instead we want to do the rural cluster then the price for that is we are going to have more rooftops in the county. They are just going to be done differently. You are not going to see them as easily and it will be higher quality development. The price of that is that you will have more rooftops, at least as we have it proposed. There is no magic to this. Instead of 1:10 we could do 1:20. You can make it as restrictive or as unrestrictive as you want. It is really a matter of what is the right balance for Floyd. What is it we are trying to achieve here? In my opinion you don't want to give away too much. Rooftops cost money because that is kids in school, but you want high quality development. You want to respect the property rights of landowners and their ability to do divisions in a variety of types of subdivisions and make those choices and let the market do what it will do. We do these order of magnitude comparisons to see where we are at. If you like a product but think it's too much, we can throttle it back. If you think it is too little, we can unrestrict it.

One of the other things the committee talked about is looking at recommending some changes to the standard and lot subdivisions. If you leave it the way it is, people might just keep doing what they are doing. How do you encourage the cluster product and say you can do the traditional or you can do the cluster? Or do you say you can only do each parent parcel that has enough frontage on an existing road can only be three road frontage lots. You can't do any more than that. You can do it, but only three. You can still do cluster on the rest of your property if you want to. That will change it a little too, quite a bit potentially. It gives some away but takes some back too. Increase the minimum lot size from 2 to 4 acres. It increases the minimum lot width from 175 feet to 300 feet. As you drive down the road instead of every 175 feet you see a driveway, it will be 300 feet to see the next driveway. After three there are no more driveways. Currently a parent parcel with a lot of state road frontage it could be constant driveways until you run out of land. Then the next landowner can do the same thing. When you do a build out analysis you are saying when we are built out whether it is 100 years from now or 150 years from now, under the current regulations versus under the proposed, what would it look like. It is hard for us to think like that 20, 30, 40 years out. But you have to think about your kids and what you are leaving for the community. What does that product look like today and what does it translate to in the future. These committee recommendations on do you affect the current subdivisions or do you put limits on that in order to throttle it back. Or do you leave it the way it is and say you can do standard or lot or cluster. If you've done standard or lot since 2002 then

you are done. If you haven't you can still do those or you can do the cluster option. Or you can make these changes. I can't sit here and say this is the way you should do it. We will get to that by the conversation we are about to have.

To wrap it up, how do we encourage great development? How do we prevent bad development? What should Floyd look like moving forward? That is really what this is all about. There is a lot more detail in the draft ordinance and it can change based on this discussion and I suspect it will change based on this discussion. It deals with PSA standards and Health Department review and Virginia Department of Transportation review. We don't need to get into that. We just need to focus on the policy.

Chairman Clinger explained that the main part was an update. We want to make sure we have the same vision between the Board and Planning Commission. We might want to tweak this as to which way we want to go. Do we want to have the restrictions and throttles in place or do we want to see cluster with unrestricted?

Supervisor Kuchenbuch stated the bottom line for her is that Roanoke keeps getting bigger. It is manifesting a whole new image for itself. Anybody who drives down Rt. 8 into Christiansburg can see how big it is getting. Blacksburg is the same way. People say Blacksburg will build out toward Giles [County]. But at this point in time if we are to sit here in 2017, we do need to start looking at 2037 and 2047. I know it seems like such an odd concept. But just sitting here thinking, how fast did the last 20 years go for you? It flew by. We do need to look at our land and how it is going to be developed and how do we think we should develop it as a County. I tell you developers are going to come. There is no doubt in my mind. My mind's eye does not picture a developer as a wolf coming up the mountain trying to rape the land. That is not what I see. But I also know that money is a powerful thing and the greed with which it leads decision making sometimes is not the kind of decision making we want to see here in Floyd County. Most of us in this room know that I am a realtor. So if I am restricting or doing something that is different, there is a greater good involved. That is what we have to think about as we move forward in our discussion. It is for our kids and grandkids. I was excited to be on this committee. I appreciated all the work that everyone associated with this did. I look forward to discussion.

Chairman Clinger said the floor is open to discussion including members of the Planning Commission. It may have just hit you and you need to digest it a while.

Supervisor Kuchenbuch said we are not going to hold you to anything, but what is your gut saying?

Ms. Linda Wagner of the Planning Commission replied my gut is saying if we have the most restrictive, we have horrible HOA (Homeowners' Association) fees, with any of them we have horrible HOA fees. If we are looking to townhomes for low-moderate income, we are making it prohibitive.

Chairman Clinger clarified with the throttles in place. You are thinking of going more with the larger lots?

Ms. Wagner replied with any of them. Like the townhouse units on 300 acres or even the 16 or whatever that development was. I just don't know how that plays out to make it affordable housing, which was the goal of having cluster development.

Chairman Clinger stated that was one of the primaries we were looking at was to make it affordable. That is where the unlimited came in because with smaller lot sizes it makes it more entry-level affordable. As it is now with 2 to 5 acres it is harder for people to pay the costs for land and well and septic. You are making it hard right there before you even think about building a home for a startup family. Whereas if you come in with the unrestricted you are going to have smaller lot sizes, the water and sewer will be hookup fees instead of unknown wells and whether the ground will perc.

Supervisor Kuchenbuch said there is going to be tradeoffs and there will be HOA fees. I don't know if they will be exorbitant. It will be market driven, obviously.

Chairman Clinger pointed out that part of it will depend on if it is urban or rural. If you are in town your HOA fees will probably be smaller because you will have water and sewer from the PSA. HOA fees will be higher when you are talking about a larger septic system that has to be maintained.

Ms. Wagner said she wondered if they were going to talk about expanding Town limits?

Chairman Clinger replied that is part of the talk PSA has had for quite a while about where does the PSA need to go. We realize at the PSA we have to grow, but we don't want to grow in a direction where there are not going to be customers. It is customer driven. It doesn't do to expand just to expand.

Ms. Wagner said on the 50% free space we only have 300 acres in Town. That is pretty limited.

Supervisor Kuchenbuch stated there are areas close enough to Town. That doesn't mean we expand the Town when we expand the PSA.

Chairman Clinger explained that the PSA is the Town of Floyd and the County of Floyd; it is a joint authority.

Mr. Gary Crouch with Hurt & Profitt stated the representatives on the PSA include two members who serve on the Board of Supervisors, two members who are on the Town Council, one member appointed by the Board, one member appointed by the Town Council, and an at-large member.

Chairman Clinger said PSA serves all of it but where do we expand next? You heard how much it costs just to replace a waterline from the stop light down to here. We are not just going to go out in all four directions. We want to know whether there will be cluster development and if it is worthwhile for us to go toward it. It is a business. You want to go where your customers are and you want to serve them.

Supervisor Kuchenbuch stated the last thing we need to do, in my opinion, inaction would be worse than no action. I want to be deliberate in our discussions and the planning.

Mr. Jeremy Yuvanavattana of the Planning Commission stated he wondered what Board members have heard from the community as far as their opinions on what they are looking for? Do they want to limit the lots on existing road frontage? If that's the case that is something we definitely need to see here. Or are they pushing more for homeowners' or landowners' rights? What are you all hearing?

Chairman Clinger replied I hear a lot about development on road frontages. I hear about that from pre-existing homeowners more than the ones wanting to get in. You are following the school bus in the morning and it is start, stop, start, stop. That is the first thing I hear. The second thing I hear is making it affordable so people can afford to come back when they finish college. Right now the way it is set up, it is just prohibitive. It costs more to live here than other places.

Ms. Lydeana Martin, Community and Economic Development Director, said affordable housing is one of the challenges for the low to moderate income, particularly transportation costs. I think they say housing should be no more than 30% of your income and transportation no more than 15%. If your housing and transportation together are more than 45%, then it is very hard to do. That is one of the benefits of the urban cluster. If the focus is on affordable housing, especially in the urban area, at least you have the opportunity to walk to work or share a ride. I just want to throw that out. Affordable housing might be best placed, in the big picture, be really encouraged in the urban area where PSA serves.

Ms. Wagner asked don't we have an average income of under \$50,000.00 for the community? And if we are talking low to middle income affordable housing and housing should be no more than 30% of income, we're talking trailer houses.

Chairman Clinger said not so much trailer houses, it is by scale. If you are doing townhomes and you build one it costs, but if you do 3-4 together it is a lot more inexpensive.

Ms. Wagner said it is such a low amount. Where can you get a home for 1/3 of \$50,000.00?

Chairman Clinger answered right now hardly any, because you are talking about how much land is involved with it.

Ms. Wagner agreed and said that would include your HOA fees and such.

Mr. Yuvanavattana asked how HOA fees would work for low income housing?

Chairman Clinger replied that would be between the developers...they would have to figure out how much it would cost to run and maintain the system, have so much setback for repair work, and things along those lines.

Supervisor Kuchenbuch said she wanted to distinguish between low to moderate income housing and affordable housing. There is a big difference. Affordable housing – two people work and have two or three kids, they look for a house – they can't afford two acres in Floyd. They can barely afford a house that exists on the market. So if we could come up with a lot size that was .75-1.25, with lots of beautiful open space for kids to run in and then be able to build something that wasn't exorbitant. That is the idea. Get developers in here who aren't going to put up McMansions. I just spent the last five days in the Levittown houses. Those were affordable houses in the late 1940s after the war. They are still standing today. They were built really well. We've kind of moved away from that. They've been added onto; windows have been replaced, but they are still functional homes, absolutely functional homes.

Chairman Clinger added another thing we are hearing from people on townhomes is that they want a home but don't want yard work that goes with 4-5 acres. The millennials when they get to the weekend, they want to go do something. They don't want to be planting gardens and things like that. Back to the low and moderate income, there are some programs out there for developers to create housing where there are better loan rates. The market will drive that.

Ms. Dee Wallace of Chantilly Farm asked if there were options under 50 acres or is that the starting point?

Mr. Coffey replied we were just using round numbers. The option would be for any parent parcel depending on how you set the rules, saying if it hadn't been subdivided it would be eligible or you could say that everything that exists is eligible.

Supervisor Kuchenbuch said it must be on a paved road.

Mr. Coffey agreed. He said you can get a 37 acre lot and get 3 or 4 lots.

Chairman Clinger said right now we are still looking at the big picture. We figured no need to hike the ball down yet until we are sure which way the community wants to go and the support the Board has for it. That is why we wanted to come at this point just to get a feel for the direction.

Ms. Deborah Baum of the Planning Commission asked if any developers have reached out? I know there was a developer a year or so ago looking and we had no cluster development or anything. I guess they moved on. Do we have any developers who are thinking about it?

Mr. Bill Lavancher, the developer who approached the Board a year ago, raised his hand.

Ms. Baum asked are we looking 1 year down the road, 2 years, 10 years down the road?

Chairman Clinger answered that this [Mr. Lavancher's project] brought our attention to it. We applied for a grant to help fund a study which is how Mr. Coffey's group came. It is something that should be looked at. It is better to be proactive than reactive. We have a chance right now to put something in place.

Mr. Steve Bunn said looking at the map, there is a lot of discussion about density of population, but little about traffic. In the clusters that I am seeing, there will be a significant amount of traffic exiting onto a main road. That would typically involve VDOT. Those will be some real choke points along the main roads for traffic coming out. The other thing I was wondering about, were there going to be any required proffers in there for the schools from the developers, because I can see a number of children coming into those developments? I also see a parking issue with those least restrictive. Townhouses typically have a number of cars without parking spaces. I think there is a lot there but I would like to know a little more about what is going on.

Chairman Clinger said those are some of the things we touched on in early discussions, like did the road need to be a certain width. Some of these roads you are talking about with larger developments, the road servicing it will be larger than the road it is coming off of.

Mr. Bunn said even though that is the case there is going to be significant amount of traffic trying to exit those.

Chairman Clinger agreed and said those are some of the things we talked about. But then we got to thinking why go down this part if the support is not there for it.

Mr. Bunn asked if there is going to be any particular limitation based on water supply? This is a unique county in that regard. I don't know what the capability of the GIS mapping is in Floyd, but that would be a real concern for me in long term development twenty years down the road. I was looking at the map today and half of Floyd County is in the drought map.

Mr. Coffey said my understanding from the discussions we've had, those are great points you bring up. Rooftops generate kids. I don't care what developers say. They will generate kids and that is a huge cost, more than half of the County's budget. It is the same thing in every locality, schools are a chunk. You have traffic and traffic congestion. If you are talking about 11 lots or something along that density, that will not be as problematic. If you are talking about dozens and dozens and dozens coming out of a neighborhood, if it has one ingress and egress, then you are exactly correct. With regard to the water I think the advantage of us saying it would be a centralized well, it is basically centralized water and sewer systems that would serve these clusters. It would have to be maintained by these homeowners, but it would be built by the developer to PSA standard. When you go to drill a shared well, they have to do drawdown tests and make sure the water and capacity is going to be there. You can't just go out and do it. You have to test and make sure it is doable. If you were to propose 46 lots for example, but there wasn't the water capacity on that parcel to do that you would have to settle for 27 lots or whatever. So even though we say unrestricted, basically when we say that, we are just saying there are no regulation, there is no formula of 1 every 10 acres. Do as much as you feel is prudent in that 15%.

Mr. Bunn said the State does not have requirements on individual wells but does on these because they are centralized systems.

Ms. Martin said it all depends on the number. It is 15 connections or more or 25 people served for at least 60 days of the year. If you get to that threshold then there are drawdown tests,

there are water quality tests, there are all manner of things. If you are under that level, then it seems more like an honor system to me. The well driller completes their report and says we have at least 3 gallons or 150 gallons in reserve per household. That is one the questions the group really hasn't gotten into the details on yet. If it is a relatively small system, it seems to me largely an honor system. We are somewhat unusual I believe in Virginia. Gary [Crouch, PSA engineer] and I talked to the Office of Drinking Water and she handles 5 counties and we are the only county that really just has public water and sewer in and around the town. There really aren't a lot of models for us to go by in this because so many other communities have centralized water and sewer. This is part of what we have to figure out. Do we want any protections in there from the local standpoint? The challenge on that is that we are then responsible for enforcing that. That becomes complicated.

Mr. Crouch added one thing we are looking at is to overcome that public water supply threshold that exists right now for 15 residences or 25 people. And require that any rural water system that is developed be developed as a public water system so it would have to have a yield and drawdown test.

Mr. Bunn said that is what I was asking if you were suggesting because you could conceive of a situation where a developer would automatically choose to go below that level so that wouldn't be required. My other concern would be you could have a lot that could not develop out that minimum level and still not have to meet those requirements.

Mr. Coffey said we talked about regardless of the size they would have to meet the public standard per subdivision ordinance of Floyd County. So they would have to perform those tests to meet that minimum – the construction standards they would have in drilling the well and doing the mass drain field, the whole nine yards. They would have to meet that public standard. In that way the homeowners know when coming in that they are having to maintain and take over a system that was built to a higher standard.

Mr. Bunn asked if this is attempting to draw people to the county as a livable place because it is such a beautiful county, then require that the developers have high-speed internet into those developments. And as we expand the needs for the schools and the public service, for some of the affordable housing would first priority be given to first responders and teachers? I know there are counties that have done that.

Ms. Becky Howell, Chair of the Planning Commission, asked if Mr. Bunn would repeat his questions.

Mr. Bunn clarified that first responders and teachers would have first pick at those affordable housing units. That also attracts high quality as we have high quality education that leads to high quality development.

Ms. Howell asked are we attempting to draw people into the County or are we planning for those who may come?

Supervisor Kuchenbuch replied I think right now we have all seen an increase however they project that Floyd isn't going to grow much. That is what they are saying.

Chairman Clinger said just we recently had a company and we were one of the semi-finalists. They thought about relocating here and they had 400 employees. We don't have 400 homes open right now or anywhere where they could live. If we did something like put this in the works and you get a business that has 400 employees...it is a chicken and egg thing. The developer will not develop before people are there and jobs won't come until the land is there. Let's get one of them in place so the other happens.

Supervisor Kuchenbuch said I hear your concerns about water and that was one of the things that drove me to think on these lines of clustering and developing centralized water systems. I don't know how many more wells can be drilled on some of the roads that I drive in my district that are going to continue to allow everybody on that road to have water. It is kind of getting ridiculous. The 300 acres with all of those houses is hard for me to envision. That is a lot.

Ms. Howell stated let me go back and ask are we attempting to draw people here or are we planning for those who will come?

Supervisor Kuchenbuch replied I don't think we are. They are coming whether we like it or not. And if they are coming and developers see they are coming...

Ms. Howell said so we are trying to plan for those people who will be coming.

Supervisor Kuchenbuch responded don't you think it's a good idea to plan for the future?

Ms. Howell replied I am not offering any opinion. I am just trying to clarify what we are doing here.

Supervisor Kuchenbuch said that is what I think we have to do. You are on the Planning Commission and I would like for you to offer an opinion.

Chairman Clinger agreed that he would like an opinion from the other Boards and people here as to which direction you want us to go with this.

Supervisor Yoder asked if any of the Planning Commission was on this committee? He asked if this is the first time you've heard this?

Ms. Martin replied that she has briefed the Planning Commission on this.

Ms. Wagner asked about all of the roads with no sizes and such what are the parking facilities? Are they underneath these units? Are there separate lots for townhouses? I ask this because I worry about emergency vehicles. It looks pretty limited.

Chairman Clinger responded these are just rough drafts to show what it could possibly look like. We are still looking at broad strokes right now. Those are the things to be addressed: how wide does the road have to be, how many parking spaces per home, those are things that will be turned over to you once we actually get into it.

Supervisor Kuchenbuch described it as a new concept. This is sit in a room together and look at something in its infancy and let's work together to figure out if this is truly going to work in Floyd County. None of us up here or on the committee are in any way shape or form saying this is what we've got to do, and we've got to do it now. But what we want to do, with the public, is bring in all of the resources that we hold dear, every single one of us in this County, to discuss what is this County going to look like in 20 years. What is going to happen when you have intentions like this and you start discussing this? I am waiting for Terri's [Morris] or Lydeana's [Martin] phone to ring and a developer says he has heard that Floyd County is a beautiful place. It is like the Field of Dreams and the cornstalks. They're coming. It is not a matter of attracting them. They have already been attracted to Floyd. One of the first things Darren [Coffey] said when we first got together was you want to keep Floyd, Floyd. You don't want Floyd to become Asheville or anywhere else. Floyd is Floyd and that is so important and our committee felt that way. I know they did.

Mr. Griffin said you have to get smart development. Because right now with what you have, no one is going to come in here and put in infrastructure and stuff because it is cost prohibitive to the developer. So if you don't move somewhere from where you are now, maybe not all the way to where you are going, you've got to go somewhere.

Supervisor Kuchenbuch echoed you've got to go somewhere.

Ms. Wallace said I want to speak to that but I wanted to hear her [Ms. Howell's] opinion first. Did you have something to say?

Chairman Clinger asked Ms. Howell for her reaction.

Ms. Howell replied she was sorry but Linda [Supervisor Kuchenbuch] gave such a speech that I forgot what I was going to say.

Ms. Wallace said back to the first picture you showed where it crossed the stream and it is far off the road and all of these things, as a developer under our current regulation I'm sitting here thinking DEQ and this and this and this and this and this and this I might as well forget about even drawing up a plan on that.

Chairman Clinger asked does having more lots there to sell make it more attractive?

Ms. Wallace replied sure that's the thing. What you are saying is that between here and there are a lot of steps.

Chairman Clinger said but with the incentive there versus how it is now with a 5 acre lot. You can do 4 lots back there with a common cost of a bridge and for 4 lots it is prohibitive versus 100 homes on the bridge.

Mr. Bunn said that he was new to the County, but I am not new to the concept. I drove up the Parkway yesterday just looking around and going to lots and homes. I drove up to Stuart and Shooting Creek and everything. I saw a cluster development at Park Ridge that I wasn't

pleased with at all. I don't know if that is in Franklin [County] or if that is here. If that is in Floyd, I don't like it.

Supervisor Kuchenbuch answered it is in both.

Mr. Bunn replied I hope the nice part is in Floyd.

Chairman Clinger said that is the thing. Without any type of development in place...

Mr. Bunn continued if you are talking about development for the whole County is there any reason this can't be done in a master plan, then it can be done in a trial phase to look at how it can work? I don't disagree with you Ms. DeVito [Kuchenbuch] on the need for it. As the capability is there for developers then that can draw economic development. That's true. At the same time there is no need to commit the entire County to that plan initially. The ordinances have to have legal effect, but there is no reason to not have a limited scope initially to see how that development works.

Chairman Clinger explained we put it out there and we find out there are abuses then we come back and we can amend an ordinance. It is an ordinance that will spell out the language on how we want this development to go. If we find out there are abuses or things we haven't thought about, we come back and advertise an amendment to it, have a public hearing, and if it receives a majority vote, we make the amendments.

Mr. Bunn asked one of the biggest things there would be, would you require proffers from the developers? Right now you don't have enough buses for the county. You need first responders.

Several people spoke out and said you can't do proffers.

Ms. Martin explained you can't do proffers with no zoning.

Supervisor Yoder said this kind of strikes me as several things. The first thing that really hits me is we talk about the developers but how will this impact the farmer who just wants to sell a couple of acres to his kids? To me what I am really curious about is the people who already live here. That is something I need to think about before forming an opinion. What really strikes me about all of this is that it is a fancy way to dance around without doing zoning. That is what it boils down to. At some point if we want to do this we just need to do zoning. I am not advocating for doing anything. I'm just saying it might be a whole lot easier for us if we wanted to go ahead and bite the bullet.

Ms. Wagner asked about the feasibility of a developer doing a cluster outside the PSA area. Is that a major deterrent or is that a realistic thought? And that leads into his question as to how vast is this going to impact the County?

Supervisor Kuchenbuch addressed Supervisor Yoder and said the farmer who wants to sell, I am a farmer and I want to sell acreage to my kids, we have a family subdivision ordinance that will allow us to do that. The one thing I don't want to do with this development is infringe

on any property owner's right to do what they want with their property. So if there is someone who lives out on a main, paved road in the county and has 300 acres and they are done with farming, their children are spread out in Denver, Spokane, Ft. Lauderdale and never coming back to Floyd...and this farmer does not know what to do with that 220 acres they own and it is right on the Blue Ridge Parkway...I want that farmer to be able to do with that land what they want to do with that land. If it means building a development like this in the proper way, then I want our county to have in place a tool, as Darren [Coffey] said, in our box to allow that farmer to do that.

Ms. Howell asked what if that farmer wants to divide that up into lots along the main road? This will take away the right to do that.

Supervisor Kuchenbuch said no there will still be that, but we may end up...

Ms. Howell asked how can it be that when you limit it to 3?

Supervisor Kuchenbuch said we are limiting it a little bit more and they have to have a greater road frontage along the road.

Ms. Wagner said that is impacting the landowners' rights.

Mr. Coffey said there is always a balance between what is the vision of the community versus what are the private property owners' rights. You want them to have rights within reason, but if it starts impacting the community at large, school bus stop, school bus stop, school bus stop, school bus stop every 175 feet because that is what the county has allowed to occur. At some point you go, does that make sense? When we are at this level of development in Floyd, it is not that big a deal. But as you continue to build out, it becomes more and more and more of a big deal potentially. I also want to say to Mr. Chairman you are exactly right you could enact the urban cluster and come back later and enact a rural cluster. You could enact some version of both and then amend it to negate one. There is any number of ways to do this. It is really something to think about and process. A lot of good points have been made. It is really a balance of...I think what we have proposed here doesn't really, I would argue, economically take away anything from the private property owner. It adds a tool that could do it. If you want to do roadside or clustering or do you want to do both, you can do that. That was intentional from the committee, to say we're trying to figure out how we can achieve our community's vision without adversely impacting landowners.

Ms. Howell asked if there is a way you can do this so that we can eliminate that honor system? I hate to think that we are going to have developers come in here and be on the honor to do something. I don't understand the range of the PSA. What is the acreage of the town and what is the acreage of the PSA?

Chairman Clinger said those are valid questions. I think a good thing to do right now – I said I was going to cut this off at 8:30 p.m. – why not at your next Planning Commission meeting, we might get Gary [Crouch] from PSA to come up if at all possible. Find out if that will work out. That way you can formulate some questions from your group and come back to our subcommittee with those. That way we can address those as well. It will give the Board a chance to digest it. Email or talk to us with the same things when we have our next group

meeting. We can start addressing some of these and maybe massaging it more now that we are finding out what everyone is wanting.

**Agenda Item 11. Old/New Business.**

On a motion of Supervisor Gerald, seconded by Supervisor Turman, and unanimously carried, it was resolved to amend the agenda to add a closed session.

Supervisor Gerald – yes  
Supervisor Kuchenbuch – yes  
Supervisor Yoder – yes  
Supervisor Turman – yes  
Supervisor Clinger – yes

On a motion of Supervisor Turman and seconded by Supervisor Gerald, and unanimously carried, it was resolved to go into closed session under Section 2.2-3711, Paragraph A.3, Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body and under Section 2.2-3711, Paragraph A.5, Discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community.

Supervisor Kuchenbuch – yes  
Supervisor Yoder – yes  
Supervisor Gerald – yes  
Supervisor Turman – yes  
Supervisor Clinger – yes

On a motion of Supervisor Turman, seconded by Supervisor Kuchenbuch, and unanimously carried, it was resolved to come out of closed session.

Supervisor Gerald – yes  
Supervisor Kuchenbuch – yes  
Supervisor Yoder – yes  
Supervisor Turman – yes  
Supervisor Clinger – yes

On a motion of Supervisor Yoder, seconded by Supervisor Gerald, and unanimously carried, it was resolved to adopt the following certification resolution:

**CERTIFICATION RESOLUTION  
CLOSED MEETING**

WHEREAS, this Board convened in a closed meeting on this date pursuant to an affirmative recorded vote on the motion to close the meeting to discuss Real Property in accordance with Section 2.2-3711 Paragraph A. 3 and Prospective Business or Industry in accordance with Section 2.2-3711 Paragraph A. 5 of the Virginia Freedom of Information Act;

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by the Board that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby certifies that, to the best of each member's knowledge (1) only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act were heard, discussed or considered in the closed meeting to which this certification applies; and (2) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting to which this certification applies.

Supervisor Kuchenbuch – yes

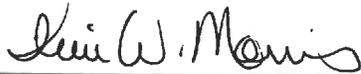
Supervisor Yoder – yes

Supervisor Gerald – yes

Supervisor Turman – yes

Supervisor Clinger – yes

On a motion of Supervisor Yoder, seconded by Supervisor Kuchenbuch, and carried, it was resolved to adjourn to Tuesday, March 7, 2017 for a budget work session at 9:00 a.m.



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Terri W. Morris, County Administrator



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Case C. Clinger, Chairman, Board of Supervisors

