

RICHMOND REGIONAL PLANNING DISTRICT COMMISSION
Minutes of Meeting
March 8, 2012

Members/Alternates Present

L. Ray Ashworth (M)City of Richmond
Richard Ayers (M).....County of Powhatan
James H. Burrell, Chairman (M) County of New Kent
Douglas G. Conner (M).....City of Richmond
Steve A. Elswick (M)County of Chesterfield
Even Fabricant (M)County of Hanover
Allyson Finchum (A)..... County of Charles City
Richard W. Glover (M)County of Henrico
Kathy C. Graziano (M).....City of Richmond
Russell J. Gulley (M).....County of Chesterfield
Dorothy Jaeckle (M).....County of Chesterfield
E. Martin Jewell (M)City of Richmond
David A. Kaechele (M)County of Henrico
Angela Kelly-Wiecek, Treasurer (M).....County of Hanover
Kelli Le Duc (A)..... County of New Kent
John H. Mitchell (M).....County of Henrico
Tyrone E. Nelson (M)County of Henrico
Patricia S. O'Bannon (M).....County of Henrico
Ken Peterson, Secretary (M)County of Goochland
Edward W. Pollard (M)..... County of New Kent
Faye O. Prichard, Vice Chairman (M)Town of Ashland
Charles R. Samuels (M)City of Richmond
Randall R. Silber (A).....County of Henrico
Frank J. Thornton (M).....County of Henrico
Carson Tucker (M)County of Powhatan
David Williams (M)County of Powhatan

Members Absent

Thomas M. Branin (M)County of Henrico
James Crews (M).....County of Goochland
Daniel A. Gecker (M).....County of Chesterfield
James M. Holland (M).....County of Chesterfield
Lynn McAteer (M)City of Richmond
Floyd H. Miles (M) County of Charles City
C. Harold Padgett (M)County of Hanover
W. Canova Peterson (M)County of Hanover
Millard D. Stith (M)County of Chesterfield
Arthur S. Warren (M).....County of Chesterfield

Others Present

John AmosRRPDC Legal Council
John Benton.....Citizen, Chesterfield County
Andy Boenan..... AECOM
David Hurst CDM Smith
Laura Lafayette..... Richmond Association of Realtors
Myra Smith..... Leadership Metro Richmond
Craig Toalson Home Building Association of Richmond
Jim Wright..... Sustainable Transportation Initiative of Richmond

Staff Present

Robert A. Crum Executive Director
Julie H. Fry Executive Secretary
Anne Darby Senior Planner
Thomas Dunn Principal Planner
Billy Gammel Associate Planner
Chuck Gates Communications Coordinator
Sophie Guhl Intern
Barbara Jacocks Principal Planner
Jin Lee Senior Planner
Daniel N. Lysy Director of Urban Transportation
Randy Selleck..... Principal Planner
Matt Smith..... Intern
Jackie S. Stewart..... Director of Planning
Sarah Stewart..... Senior Planner
Peter M. Sweetland..... Finance and Contracts Administrator
Lee Yolton Principal Planner

Call to Order

Chairman Burrell called the regularly scheduled March 8, 2012 RRPDC meeting to order at approximately 1:00 p.m. in the RRPDC board room. He then led members in the pledge of allegiance to the flag.

I. ADMINISTRATION

A. Certification by Commission Executive Director of Meeting Quorum

Mr. Crum certified that a quorum of members was present.

B. Requests for Additions or Changes to the Order of Business

Chairman Burrell asked if there were any additions or changes to be made to the agenda. There were no requests to change the agenda, and the agenda was accepted as presented.

C. Open Public Comment Period

Chairman Burrell asked if there was anyone from the public in attendance who wished to make a comment to members of the Commission. He reminded speakers that their time is limited to three minutes. As there were no requests from the public to address the Commission, the Chairman closed the public comment period.

[Note that the agenda items were mislabeled; the letter D was omitted.]

E. Chairman's Report

Chairman Burrell said that he will not have a report today.

F. Executive Director's Report

Mr. Crum brought the members' attention to the monthly staff activity report, which is included in the agenda book under Tab 1 and details work being advanced by staff on behalf of the localities. He said staff will be happy to address any questions on what is included in the report. Mr. Crum noted the report is abbreviated this month due to the short turnaround time since the last report was provided during the meeting held on February 17.

Mr. Crum reported that one of the projects staff has been working on is the Route 5 Corridor Study. He said this study is being coordinated with Henrico County and the City of Richmond. There is an appropriately planned growth area in eastern Henrico County, and planned developments have been approved. Traffic into the City of Richmond from this area will increase as a result. There are some economic development opportunities for that portion of Henrico County and Shockoe Bottom, as well as other areas of the city.

The study is looking at transportation options to handle the planned growth and traffic expected in the area over the next 25-30 years. The study initially looked at about 15 options and two of those options have been selected as the most viable. Staff is working very closely with both localities as they receive input from their communities.

Another project that staff is involved with relates to the Port of Richmond. There have been articles in the Richmond Times-Dispatch (March 5 and March 6) on the Port of Richmond and how the widening of the Panama Canal will bring increased freight to east coast ports.

A couple of years ago, the Richmond Area MPO (RAMPO) funded a barge project to take a portion of freight from the Port of Virginia up the James River on barges to the Port of Richmond. This project has been so successful that the Virginia Port Authority (VPA) became very interested in managing the Port of Richmond; the VPA began managing the Port of Richmond on July 1. RRPDC staff member Barbara Nelson has been leading this project and working very closely with the Virginia Port Authority and all stakeholders to identify all of the opportunities for the Port of Richmond.

As cargo and freight increase in the Port of Richmond, the area around the Port will become key for real estate opportunities such as warehousing, logistics, etc., in the City of Richmond, Chesterfield County, and the Region. Mr. Crum encouraged members to read the articles in the Times-Dispatch if they had not already done so. He said this is a direct relationship to an investment made by RAMPO with transportation dollars that is now resulting in many benefits to the Region.

II. CONSENT AGENDA

Chairman Burrell said the Executive Committee has recommended approval of the items listed on the Consent Agenda:

- A. Approval of Minutes – February 17, 2012**
- B. Approval of January Financial Report**
- C. Regional Community Development Block Grant Priorities**
- D. Annual Grant Applications**
 - **Rural Transportation Planning**
 - **Coastal Zone Management**

Chairman Burrell asked if anyone wished to have any of these items pulled from the Consent Agenda for additional discussion.

As there were no requests for discussion on the items, on motion made by Ms. Kelly-Wiecek and seconded by Mr. Ayers, the Consent Agenda was approved unanimously as presented.

III. OLD BUSINESS

There was no old business to bring before the Commission members.

IV. NEW BUSINESS

A. Regional Housing Market Trends

Chairman Burrell asked Mr. Crum to introduce the guest presenter. Mr. Crum said Ms. Lafayette is the CEO of the Richmond Association of Realtors, and she addressed the Board about a year ago on regional housing market trends. Staff

wanted to invite her back for an update given the current economic conditions to see how trends are moving. He noted that some handouts were being distributed with more information on the regional trends and how things are tracking in each jurisdiction. Mr. Crum said no action is needed following this informational presentation. He encouraged members to ask questions once the presentation was finished.

Ms. Lafayette thanked members for the opportunity to speak with them this afternoon. She said the first handout being distributed is a postcard which is an invitation to a symposium being hosted by the Partnership for Housing Affordability. The symposium, *The Three Rs: Revitalization, Reinvention, and Return on Investment*, will be held during Affordable Housing Week, which runs from April 23 through April 28. The symposium date is Thursday, April 26, to be held from 8:30 a.m. until 1:00 p.m. at Lewis Ginter Botanical Gardens. It will focus on what is being done in the Richmond Region on revitalization. Mixed use developments now being planned and built in the localities are in line with the national trend of preferences. The four larger jurisdictions will be represented on the symposium panel to discuss efforts being undertaken in each of their localities. Ms. Lafayette encouraged all members to attend and to invite appropriate staff in their jurisdictions to attend as well.

Ms. Lafayette said the second piece of information distributed is data on the real estate market in the Region and in each of the RRPDC's member jurisdictions. She pointed out information on the current monthly inventory available in each jurisdiction as well as information on pricing and market activity.

Ms. Lafayette provided information on the regional market over the last six years. The number of units sold peaked in 2005 while the average list price peaked in 2007. In 2011, the number of units sold increased over 2010. She noted that an increase in sale price will be the last indicator to begin to rebound.

Information was also shared on the following:

- market patterns in 2011 with no artificial stimulus, such as tax break incentives
- single family residential sale prices per locality and the change over 2010
- single family monthly inventory absorption, which is the monthly supply of inventory available in each locality; anything more than six months is typically a buyers market; trends show a more balanced market is beginning
- single family residential information on pending units, sold units, and average sales price over the past six months

Ms. Lafayette reviewed the following indicators for 2012:

- strong sales activity in fourth quarter 2011 provides momentum for 2012
- sales taking place in all price segments of the market, including upper end
- continued sell-off of distressed inventory but supply is diminishing

- distressed sales equal no real bump in average sale price
- no expectation of significant appreciation in home equity
- interest rates will remain low
- 2012 is still a buyer's market but the market is becoming more balanced
- overall 2011 was better than 2010 and 2012 will outpace 2011 in units sold

Ms. Lafayette said trends show that the market is in recovery, and local realtors are saying it is beginning to feel like a recovery is taking place.

Mr. Fabricant asked if the backlog of foreclosures that banks have not been able to finalize will have any impact once those foreclosures are finalized. Ms. Lafayette said distressed inventory will remain higher than liked. She hopes the trend downward in distressed inventory will continue. Ms. Lafayette said she did not think any of the federal programs will be enough to help alleviate the number of distressed units in the market. She said lost equity will be made up over time and should not be a sole reason to sell a home.

Mr. Kaechele asked if the average sale price decline will continue in 2012. Ms. Lafayette said she thinks the rate of decline will be smaller and some localities will see an increase. At best, she thinks prices will be flat with perhaps a small tick up.

Chairman Burrell asked if the economy continues to improve whether that will affect prices. Ms. Lafayette said that will have some impact. She said there will be some need for the market to adjust for household composition as the economy begins to turn around, such as adult children moving back out on their own after having been living with parents.

Ms. Jaeckle asked if Ms. Lafayette felt inventory levels may be artificial as some people are holding off selling their homes. Ms. Lafayette said that is a possibility. New inventory coming on the market was down by 1,000 units in January.

Mr. Thornton asked if the trend for large houses will continue for the next few years or if people will begin to buy smaller homes. Ms. Lafayette said that on average, house sizes have decreased. Demographic trends are showing smaller houses will be what the market will demand. She said this needs to be taken into consideration with local zoning so that a diverse inventory is maintained. Ms. Lafayette noted that Ms. Stewart, of the RRPDC, is updating the affordable housing study done by RRPDC a couple of years ago and this updated report will be used during the upcoming symposium. She said the Region is doing a good job in maintaining an inventory of affordable housing. There is some concern of whether this inventory can be maintained.

Mr. Peterson asked if there was any difference in trends for older homes versus newer homes. Ms. Lafayette said newer homes met price points better in 2011 than resell homes. If builders have lots on which they can put homes that are the right price point for the area, then new construction will continue.

Ms. Kelly-Wiecek asked if the size of homes is a moderation or if the desired size of homes has truly dropped. Ms. Lafayette said a typical family in the RRPDC footprint is not living in a 4,000 square foot home. Average size is about 2,000 – 2,500 square feet. She does not think the desire for larger homes will pick up significantly over the next few years.

Ms. Prichard asked if information on the Town of Ashland can be broken out of the data for Hanover County. Ms. Lafayette said that Ashland does not have its own MLS zone, but she will pull the data and provide it to Ms. Prichard.

Ms. Prichard asked if, because of the Age Wave, one-story homes will become more desirable than two-story homes. Ms. Lafayette said that consideration of the Age Wave is a challenge for the community with regard to new development planning. It will depend on how national preferences trend.

Chairman Burrell said he believes it is less expensive to build a two-story house as it requires less land and roofing materials. Ms. Lafayette said builders will adapt to the demands of the market but the demand must be made clear.

Ms. Jaeckle said some of the greying community prefer the second story bedroom for out of town guests so living space on the ground floor is not disrupted.

Mr. Crum took a moment to introduce Craig Toalson, who is the executive vice president of the Home Building Association of Richmond. Mr. Toalson said he would encourage everyone to attend the symposium in April as well as Homearama, which will also be taking place in April. Mr. Toalson indicated he would look forward to an opportunity to address the Board on housing issues.

There were no other questions, and Chairman Burrell thanked Ms. Lafayette for her presentation.

B. Sustainable Transportation Initiative of Richmond (STIR)

Chairman Burrell asked Mr. Crum to introduce the next speaker. Mr. Crum said that STIR was an initiative started about two and a half years ago by community leaders. Mr. Crum sits on the STIR Executive Committee. About a year ago, the RRPDC Board heard a presentation on what STIR would be working on and today's presentation will be an update on those efforts. John Martin is the CEO of the Southeastern Institute of Research and is also a member of the STIR Executive Committee.

Mr. Martin thanked members of the Commission for the opportunity to speak with them today on some of the future trends in transportation.

Mr. Martin indicated that the Richmond Region is a great place to live and work. The Region has been honored with many accolades including:

- 5th best metro area for business
- 14th best city for small business
- 20th best city for young professionals

The Greater Richmond Chamber conducted a survey among businesses that indicated 81 percent felt Richmond was a good place to do business. There are many factors that contribute to this including mobility and transportation. There is a direct correlation between transportation (mobility and access) and how residents rate the quality of life in a community.

In the Richmond Region, there is a 73 percent satisfaction rate for the commute residents make from home to work. The Richmond Region has an average 23 minute commute of about 16 miles. Only 13 percent of residents commute outside of the market. Richmond's drive alone rate is on the high side – 88 percent. Only 12 percent of commuters rideshare. The Richmond Region is a self-contained drive alone travel market.

Trends to reshape the Region will include no new roads. Within the Region, 99 percent of the roadway system has already been built. The population will grow by about 27 percent over the next ten years. With this growth will come traffic pressures. Mr. Martin shared a map of the job centers in the Richmond Region.

Mr. Martin indicated that the rural localities are experiencing exurbia as residents move out from urban areas and suburbs into the smaller localities. In New Kent County, there has been a 38 percent growth; Powhatan County has seen a 28 percent growth; Goochland County has seen a 26 percent growth (all over the last ten years).

By 2030, Virginia's population will increase to about 10 million people. Richmond is right in the center of the golden population crescent.

Ms. O'Bannon asked how there can be no new roads if the population will grow. Mr. Martin said building roads will be too expensive. There will be a need for maintenance of existing roads, and new roads may be built in rural areas, but there will need to be other solutions to handle the increased traffic.

Mr. Martin said the Port of Virginia expansion will also make the Richmond Region's mobility strategically important.

Another factor will be new generational dynamics. Boomers will double the senior population over the next ten years. In 2020, Richmond's residents over age 65 will increase by 15.5 percent.

At this time, one in seven drivers is over 65. In the next ten years, that number will fall to one in four. Those who are considered Gen Y are much less car centric. The percentage of those 16 and 17 years of age who have drivers licenses has decreased over the last ten years. Gen Ys indicate that they do not need a vehicle to manage and

conduct their daily activities. Of this age group, 88 percent prefer to live in an urban setting.

Higher gas prices are another factor to consider.

The impact of these factors on the Region will be that more people will equal more cars and more vehicle miles traveled. Without expanding roads, there will be more congestion as there are more people per vehicle mile traveled. This will decrease mobility and access. Attention will also need to be paid to the Clean Air Act and the ramifications increased traffic will have on meeting those requirements.

A shift is needed to a new paradigm: Sustainable Transportation. This will include more walking paths, bike paths, Segway paths, Zipcars, more mass transit, electric cars, car free zones, and other innovative ideas.

The shift will require a new mindset to think about transportation in a different way. People will need to begin to think about combining trips. In Arlington County, a study was done that showed they needed to set a goal to attain a 60 percent rideshare over the next ten years, which will be a 20 percent increase over what the county has today.

In Richmond, STIR is proposing that the Richmond Region should have an 85/15 split between the automobile and other transportation modes rideshare and a more multimodal transportation system. The STIR mission statement is to ensure the Greater Richmond Region's future transportation system provides an array of cost-effective, sustainable transportation choices all designed to move people in a manner that maintains the unprecedented access and mobility and minimizes the impact travel has on the environment. STIR would like for Richmond to be the national model in building an innovative, sustainable transportation system that moves people in a greener way.

STIR is mode agnostic. Mr. Martin provided a list of STIR members. He noted that STIR funding to date has been through private members and a grant from the Greater Richmond Chamber. The strategic focus is to get on the local agendas, to support the emerging infrastructure, and to gain support from residents.

Mr. Martin said that STIR wants to educate stakeholders, support new infrastructure for electric vehicles, and to stimulate a region wide movement. Mr. Martin reminded members that the Ford Motor Company selected Richmond as one of the test regions for their all electric vehicles. Cities that have the best infrastructure will have the most electric vehicles.

STIR is a partner in the Richmond Electric Vehicle Initiative (REVI). REVI has been awarded a grant from the Department of Energy. The grant will provide funds to identify and foster policies to expedite the infrastructure for electric vehicles.

Ms. O'Bannon asked if the infrastructure plan included a new power station to handle increased demand. Mr. Martin said Dominion Energy is represented on STIR. Dominion Energy has completed studies that indicate there is enough power generation to handle the initial loads. Most people will recharge their vehicles at night when there is less demand for power. Storing excess capacity on the batteries that people will have in place to charge their vehicles may also be an option.

Working with developers will help make sure the infrastructure is ready to accommodate electric vehicles. There also needs to be coordination between jurisdictions regarding codes for charging stations.

Mr. Glover said he believed that it will be difficult to convince residents in the Region to rideshare since the commute time is so low. He asked if plans have been made for power outages. Mr. Martin said power outages had not yet been addressed.

Mr. Martin said STIR wants to see multimodal transportation plans put in place.

Mr. Pollard asked if solar power has been considered for the charging stations or self-generating electric charging devices. Mr. Martin said this is the type of feedback STIR is looking for.

Mr. Crum said the Region's transportation system is very good. However, he said there is a need for a more balanced transportation system to decrease the number of people who are driving alone.

STIR would like to make these presentations to all of the local governments. He said there is a need for multimodal transportation. There is also a need to get residents on board to begin to think about sustainable transportation.

Mr. Glover said mixed use development will address some of these concerns. Senior citizens will also drive a lot less.

Mr. Crum said he would like to contact each of the jurisdiction's administrators and managers to ask that they appoint someone to sit on the STIR Advisory Committee. Having representation from the localities at the table will ensure that everyone is on board. Some jurisdictions have already appointed members to the Advisory Committee.

Chairman Burrell thanked Mr. Martin for his informative presentation.

V. **OTHER BUSINESS**

There was no other business to bring before members of the Board.

VI. ADJOURNMENT

On motion duly made and seconded, Chairman Burrell adjourned the meeting at approximately 2:10 p.m.

Robert A. Crum, Jr.
Executive Director

James H. Burrell
Chairman