PLANNING COMMISSION MINUTES

December 15, 2008

Attendees:

Dan Talbot/Chair	Harry Armbruster/Vice Chair	Cathy Morrison
Cole McGregor	Charlotte Shifflett/Secretary	Lauri Sigler/Attorney
	Madelyn Dixon	

Excused:
Theodore Pence/Council Representative

A joint Public Hearing between Town Council and the Planning Commission began promptly at 6:00 pm as advertised.

Three (3) persons signed the roster to speak regarding the sale of land to Mr. Koogler/Mark Dana Corp to build apartments dedicated to senior housing of 55 years and older.

Clerk of Council recorded these minutes for interputation and distribution.

The spokesmen were as follows:

1)	Mr. Barry Ecroyd	17155 Mt. Pleasant Rd	Elkton, Va
2)	Mr. Randell Snow	121 Clover Ln	Elkton, VA
3)	Mr. Timothy Madder	18655 Mt. Pleasant Rd	Elkton, Va

The Public Hearing adjourned and each group went into separate meetings. Minutes to this meeting will be printed in the Council Packets.

Dan Talbot/Chairperson called the Planning Commission meeting to order with all members in attendance. Mr. Koogler and his daughter Dana joined the meeting to attempt to answer questions.

Mr. Talbot advised the group that more time had become available for Mr. Koogler to apply for tax credits for Phase I. The time frame has been extended to March 2009. VDHA (Virginia Development Housing Authority) made this announcement from Washington D.C. citing the bad economy as a factor for an extension.

Mr. Koogler was introduced and proceeded to advise the group that he would make sure questions were answered fairly since he had nothing to hide and got involved in this project by invitation. When the Elkmont apartments were first evaluated for low-income housing, assisted by a grant, the tax credit value was $ .92 of every $1.00. Construction was allowed so many credits for $.92 each. Today, that value has dropped to $.70 per $1.00. The projects are set up to house people on their own merit and his viewpoint does not allow failure!

In response to the Town attorney's inquiry, the Accomac Manor Covenants would be recorded with Real Estate and would note that the apartments are to be occupied by elderly as defined in the fair housing act.

Chairperson Talbot noted that the issue is not about elderly housing nor the density and/or quality of it but rather it's refers back to the mystery revolving around Phase II and Phase III. He directed a question to Mr. Koogler, "Why do you want to buy the whole 16 acres?"

Mr. Koogler replied by using the Grottoes Apartments as an example. "The Grottoes Apartments began with Phase I being like Elkmont. Subsequently they are well established! Phase I must be operating well, approximately five years, before

progressing to Phase II. After Phase II became stabilized it went into Phase III." Still discussing Grottoes Apartments it was noted that Phase I was a Farmers Program for low income with Phases II and II falling under tax credits. The Grottoes apartments are specifically for families. The proposed project under review will be Senior only. Once the tax credits are filed for this use the government will allow no changes and the tax credits shall not be used for any other use. Mr. Koogler reiterated that, "I hope, very seriously, they will remain senior all the way. The corporation does not want to spend money and leave it sitting." He suggested the land be reserved now and he, or his representatives, will return in five years for reevaluation.

Mr. Talbot agreed that Mr. Koogler has a right to buy the land since the Town is committed to the sale. He went on to indicate that the members had discussed the project at great length with no one actually speaking against it. However, he felt that Phase II and III need a mixed balance.

The feasibility study was e-mailed to the Town Attorney on December 15, 2008. The preliminary results indicated a need for 600 apartments for senior housing in this area. It may have been compiled with a magic formula using census numbers. The report emphasized a need for 58 tax credits (which is in line with the 60 units per 5 acres). Mr. Koogler responded that he has been in this type business since 1986 so he knows what the projection means. He stated that "Several families live in some homes while others live in dilapidated houses and all other walks of life." He just feels good about helping them if possible.

Mr. Talbot was somewhat puzzled that the report displayed a potential for 600 units when in reality only 10% of that figure are actually needed. Mr. Koogler's response referred to a similar unit in Germana Heights which has a 60 unit complex with similar tax credits. Most of those residents come from a Lake of the Woods subdivision and are older parents of the residents of this area.

Dana Koogler asked the group, "What does the term low-income mean to you?" Some quotes were:

1) Minimum wage
2) Some fear exists when you live around the subsidized housing areas.
3) Section 8 of Federal Code.

Secretaries and Firemen are some professions which have eligible applicants.

Mr. Koogler acknowledged that his plans do not include Section 8 (he thinks they are not being built anymore). The tax credits are the best program he has encountered. Investors or businesses are investing their profit which is used a factor of encouragement. The law requires banks to reinvest in their own communities, thus, making the observation that investors pay strict attention. The tax credit project stands alone but is a very competitive venture with about (4) applications being submitted for every available grant. The point system gives points for the following:

a. Senior housing
b. 30 to 40 year loan

Every point earned is of utmost importance since losing by (1) point may cost between $60,000.00 and $70,000.00 dollars.

Dana Koogler personally likes the senior housing. Only an individual 55 or older or a couple with at least one person 55 or older qualify. No families are allowed there, **only couples.**

Members are comfortable with Senior housing for some of the following reasons:

a. Requires little or no effort from Police Department.
b. Schools not an issue.

The fact remains that concerns exist surrounding the Phase II and III of the project. In and around that that area that are lots of apartments per capita. With the addition of more apartments are the town's needs being met? 80% of Elkton homes probably rate below average.

a. Average range is approximately $150,000.00 to $155,000.00
b. Medium range is approximately $185,000.00 to $200,000.00

Mr. Talbot suggested that putting look a likes together does not have as much luck as placing diverse groups together. If all 16 acres were zoned R 6 it would make the project 2 ½ X the size of the Grottoes Apartments.

Commissioner Armbruster inqiuired if any information would be available in several months regarding Phase I?

a. If grants are received it should begin about January, 2010
b. Should be occupied by 2011

Commissioner Dixon wanted to discuss water and sewer hook ups.

a. Water runs through Newtown.
b. The sewer line was scheduled for completion in June 2008.
   - Engineering plans are complete and the sewer line may begin.
c. Developer will run water and sewer from town property to his complex.
d. Developer will build a public road to VDOT specifications.
e. Based on a 5 yr. study seniors use less than 50 gallon per day while their younger counterparts use approximately 150 gallons per day.

Mr. Koogler informed the group he can't see 5 years down the road but would like to come back and seek approval since the population will always need housing. As a matter of fact, developers can't build fast enough to keep up with the demand. Occasionally, communities lose families due to lack of housing.

a. About ½ of the apartment dwellers in town are not local.
b. Migrant workers tend to follow work.
c. The number of new residents fluxuate at times when they sell and leave the metropolitan areas.
d. Down sizing becomes a trend of relocating to people of retirement age.
e. The contract needs to state that if the 16 acres default to R 6 would an unknown albatross be created?
   - Something needs to be written in the contract assuring the town that housing will remain as senior rather than revert to subsidized housing.

Summary:

Mr. Koogler personally feels that everyone must make a profit when conducting business. He likes to see people with decent housing.

Commissioner Armbruster proposed that the Planning Commission hold it's regular meeting on January 6, 2008 at 7:00 pm. Phase II and Phase III are zoned R 8 and need a Master Plan submitted for approval.

a. He feels that some future council would be in place to approve the next 2 Phases.
b. Members need to know specifically what we re voting to pass?

Attorney Sigler advised members they will need to vote to rezone the (5) acres to R 6. Phases II and III will remain R 8.

Chairman Talbot encouraged commissioners to know that when a job must be done they need to hold up:

a. Hold up the Code
b. Hold up the current Comprehensive Plan.

Next year Mr. Talbot would like to see all members share the issues as a group with some of the members taking a part by presenting issues familiar to themselves.

With no further business to discuss, the meeting adjourned. The next regular meeting is scheduled for January 6, 2008 at 7:00 pm in the new Elkton Area Community Center located on Blue & Gold Dr.

Chair/Dan Talbot

Secretary/Madelyn Dixon