

## Grange – Town Council Questions / Answers from Developer

August 18, 2023

1. Is taxpayer reimbursement for any infrastructure essential to completing the development as the Developer has presented it? Specifically, will the commitments made to include the Smithfield market, green space, brick sidewalks and walls as described, require taxpayer funding above the \$2.8 million committed by the Town/County (i.e. \$1.4million each)?
  - Regarding the Development Agreement, we reserve the right to ask the Council and the Board of Supervisors for support of public costs. Our request would be limited to only expenses for items that benefit the public. We would limit the payment for these public expenses to be made only from the increased tax revenue derived from the project and not from existing taxpayers or the Town or County's general fund. To the specific question, final design and costs are still unknown but my father remains committed to donating the land for the market, green space, and recreational area as well as contributing \$1 million towards overall costs. I am committed to building the pickleball courts.
  
2. Joe III said he plans to donate back his share of the profits to the town. What percentage of the project does he own?
  - Luter III currently owns 100% of the property. He is under contract with Weldenfield & Rowe to sell them the back parcel, approximately 36 acres, and Weldenfield & Rowe will build the single-family homes and duplexes. Proceeds from that sale will help fund some of the infrastructure costs. The Luter family will own 51% (26% Luter III) of the apartments, with Venture Realty Group (VRG) owning 49%. The ownership of the balance of the project will be finalized post rezoning, but it is my father's intent to have VRG and me find a hotel partner/operator with an ownership interest.
  
3. The fiscal impact study notes how this developer is unlike any other -that the Town will be getting much more in return. Do other partners, including Joe IV, plan donations to the town from their profits? If so, please elaborate. If not, how are they different?
  - We believe this is different for several reasons: 1) my family is contributing over four acres of land for public benefit and contributing \$2.66 million in land value and cash to make it happen. 2) We are not motivated by maximizing density and profits. If we were, the PMUD would allow us to build up to 430 housing units. 3) The quality of this development will be superior and more costly than other nearby developments because of our family's love and commitment to improving the amenities and charm of the town. The town will get a beautiful western

entrance and perpetual tax revenue that far exceeds costs. I will consider additional donations to the town based upon the success of this project but do not expect our partners, Venture Realty Group or Weldenfield & Rowe, to contribute any of their profits, although the principals of VRG and Weldenfield & Rowe are known to be very philanthropic.

4. Why was the signature feature of the development, the Farmers Market, moved off Main Street?
  - If you are referring to the plan from Historic Concepts, the Smithfield Center was conceptually shown on Main Street with a green behind it and the Smithfield Market at the opposite end. The Market was not visible from Main Street in this plan.
  - We've placed the Market off of Main Street by one block. This allows for visibility from Main Street but also allows for both pedestrian and vehicular traffic to move in and around the Market safely, provide for parking on all sides and allow for vendors to come in, and set up without blocking or backing traffic up onto Main Street.
  - Having the Smithfield Market situated on a large green provides a tremendous amount of flexibility and creating roadways around the market again creates a good circulation pattern without causing disturbance or back on Main Street.
  
5. The initial report indicated that the hotel, retail, and Farmers Market would be developed first. The most recent FIA (rev June 3, 2023) indicates the Single Family will get started first (estimated completion Q4 2024) and the commercial -presumably the Farmers Market -would start Q4 2024. Why this change?
  - The FIA and our Phasing Plan all indicated that the Retail, the Smithfield Market and a portion of the residential would be developed in Phase 1. The Hotel coming online in Phase 1 is premature. The infrastructure, (Roadways, offsite turn lanes, sewer, water, etc.) all need to be developed around the Market and our goal is to bring this online in Phase 1, as quickly as possible. To offset the tremendous cost to realign Grace, build the offsite turn lanes, the VDOT roadways that surround the Market, extend sewer and water, and capture all storm water per the current regulations, the first phase of housing is necessary.
  
6. How will you engage further with citizens who have asked specific questions and expressed specific concerns about the project -traffic, density, impact on historic district streets and neighborhoods?
  - We held 2 working sessions with citizens and 4 meetings with the planning commission. Based upon comments and concerns from these meetings, we made multiple changes to the project. Unfortunately, in a project of this

magnitude, you aren't going to satisfy everyone's concerns. Our traffic plan has been vetted and approved by VDOT, and as previously stated, we are proposing lower overall density than is allowed based upon the PMUD.

- We are certainly receptive to keeping everyone updated on the progress, should this project be approved and could make minor tweaks as we get into further design, but we aren't willing to make significant changes to the variety and number of housing options.
- We will have a project website and post updates quarterly.