

The Spotswood Collaborative – Updated Proposal A

To: City of Lexington, Virginia
From: The Spotswood Collaborative
Date: March 1, 2022

To Members of Lexington City Council:

Please find attached an updated proposal to purchase and develop the City's vacant land consisting of several tax parcels commonly known as the Spotswood Development Site next to the Piovano Center on Spotswood Drive consisting of approximately 2.3 acres. The proposed purchase price is Four Hundred Fifty Thousand Dollars (\$450,000.00), subject to a 12 month due diligence study.

The main objective of the Spotswood Collaborative proposal is to develop and construct a fairly priced multi-family community consisting of up to fifty six (56) condominium apartment dwellings with code required off-street parking (approximately 1.5 per unit) and with a welcomed architectural appearance resonant with both the existing architectural character of Lexington and respectful of the affected neighboring properties.

Key features of this development include the creation of much needed, owner-occupied and rental residences inventory, expansion of city's tax base, appropriate on site parking, distributed bio-retention on-site storm water management, and a well developed garden landscape. The project will embrace high performance energy efficient construction practices and sustainability strategies to include planned solar power production and EV charging stations. The site plan develops park-like landscaping features which enhance the project's effective appearance from both public ways and all the neighboring properties.

Based on the City's preliminary projections, this proposal should have the highest net tax benefit for the City with the highest probability of generating other associated property and use taxes from the projects' owners and residents.

The Spotswood Collaborative LLC, is now an appropriately experienced local professional team (over 210 yrs collectively) of primarily locally experienced building construction, architectural, engineering, and planning professionals in Lexington well equipped to make this residential construction project being occupied in the summer of 2026. We appreciate your consideration of this proposal and encourage you to partner with the Collaborative in creating a welcome and deserving addition to the unique built fabric of Lexington. The team is available to answer any and all questions that may arise during this process.

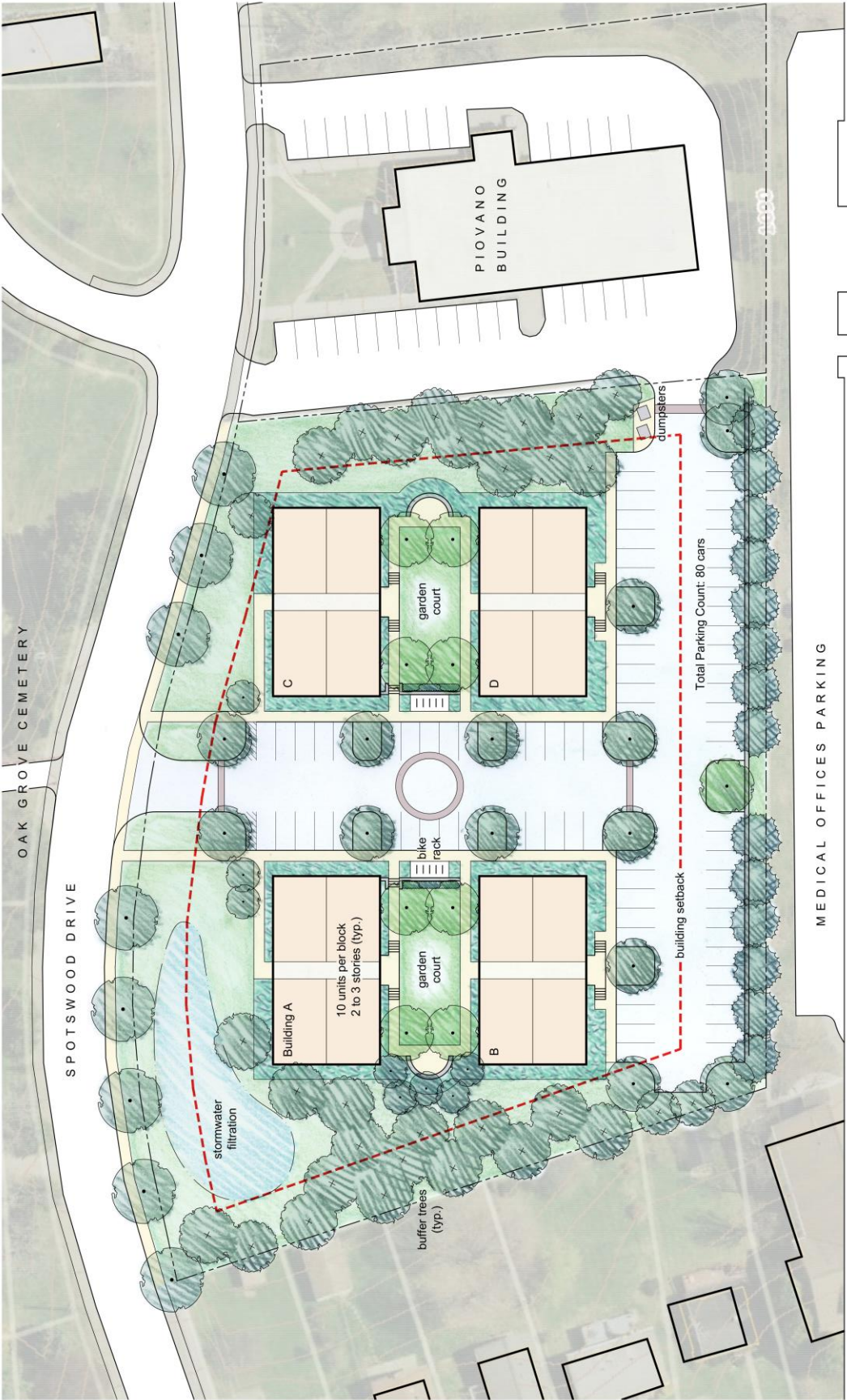
Sincerely,

The Spotswood Collaborative Members:

Max Ivankov, MaxMark Homes, LLC
Arthur Bartenstein, ABL Landscape Architecture
Heidi Schweizer, Architect
Lee Merrill, Architect
Perkins & Orrison, Inc
Bruce Schweizer
Ben Grigsby

– Acquisition, Construction, Development
– Site Planning and Landscape Architecture
– Principal Architect and Development Consultant
– Associated Architect and Sustainability Consultant
– Project Engineering
– Development and Investment Advisor
– Development and Investment Advisor

Conceptual Site Plan Insert Here



Spotswood Green

1. Projected timeline.

Based on projects of similar scope we anticipate the following timeline for completion:

- Due diligence / study period – 12 months from acceptance
- Project design and engineering – 6 months
- Infrastructure and utilities construction – 6 months
- Building Phase – 24 months

Project Completion from Acceptance – 48 months.

2. Proposed property use – multifamily residential.

As identified in the 2020 Comprehensive Plan, housing availability and affordability remains one of the major challenges facing the City in the future. Our proposal carefully examines the subject property and surrounding neighborhoods and developments. The proposed condominium design concept will create between forty eight (48) and fifty six (56) moderately priced condominium apartments to advance the City's future housing goals. Based on current real estate market trends, the project's units projected pricing will range from low-two hundred to upper-two hundred thousand dollars. This proposal's design yields high density per acre well adapted to the site's topography and public street access while providing generously landscaped open space benefitting the surrounding neighborhood. The proposed site plan respects and compliments the privacy of the adjacent Houston St. residences, Spotswood Drive's parkway feel, the serenity of Oak Grove Cemetery, and the community service mission of the Piovano Community Center.

3. Proposed purchase price and closing.

Proposed purchase price for the property is Four Hundred Fifty Thousand Dollars (\$450,000.00) subject to twelve (12) month feasibility study period.

4. Taxes generated by project – good faith estimate.

It is our understanding that City staff will conduct its own impact analysis based on internally available data. However, using existing tax rate of \$1.06 per \$100 of assessed value and assuming average assessed value of four hundred thousand dollars (\$250,000.00) for each residence we arrive at \$148,315.00 in real estate tax revenue annually. Additional building permit fees, personal property and use taxes, as well as water and sewer usage will be generated as well.

5. Anticipated zoning requests.

The Collaborative will work closely with City staff to develop the appropriate zoning framework for the proposed project. At this time we anticipate some zoning action necessary however our objective remains to work within existing zoning ordinance as much as reasonably possible.

7. Description of legal entity.

The Spotswood Collaborative is now a registered Commonwealth of Virginia LLC, and consists of a professional team of likeminded individuals, community members, builders, developers, architects, engineers, realtors and investors; all united by one common goal – sustainably responsible, scale appropriate development of existing open space acreage within the City limits. MaxMark Homes, LLC is currently the proposed Project owner of record with the various members contractually responsible for project design, planning, engineering, architecture, landscaping, and residential sales.

8. Estimate of traffic volumes.

Using a very rough textbook method of traffic generation, according to Virginia Department of Transportation, taking values from the ITE Trip Generation Manual 10th edition, townhomes, apartments and condos generate 7 trips per weekday per dwelling unit. This will roughly equal 392 additional trips per day generated by the proposed development up and down Spotswood Drive resulting in roughly 196 additional cars per work day at each intersection – Spotswood & Houston and Spotswood & Nelson. Further breaking down these numbers using linear mathematics we arrive at roughly one additional car at each intersection every 7.5 minutes throughout a given work day.

9. Estimated utilities usage.

According the Environmental Protection Agency (EPA) a typical American household uses between 300 to 400 gallons of water per day at home (subject to numerous assumptions). Based on this basic data the proposed development will use somewhere between 16,800 to 22,400 gallons of public water per day.

10. Impact on surrounding properties.

Based on proposed high density and residential nature of the proposed development we anticipate some impact on surrounding properties. Based on our team's experience with similar projects in the past we plan to utilize innovative strategies to minimize night time light pollution from the development, focus on green fences and buffer landscaping to minimize visual and sound impact on surrounding properties. Our objective is to create a community nestled in lush greenery surrounded with shaded open space landscapes, well interconnected with city sidewalks for pedestrian and bike traffic.

The project designers invite consideration that the developers and City jointly facilitate a focused charette study of Spotswood Drive frontage improvements with RARA, Carillion Health, and the backyards of the Taylor St. residences to include opportunities for canopy and understory street tree plantings, landscape berms, bikeway, traffic calming crosswalk(s), low mowing, etc.

11. Impact on local business.

The proposed development will generate additional downtown foot traffic, provide housing for people working in the City, create additional employment opportunities, increase consumption of goods and services generated by local business and overall expand local customer base. This will support a thriving local business community and lessen dependence on tourist traffic for downtown merchants.

12. Underserved needs met.

Based on the findings from the Comprehensive Plan study this proposal focuses on two important needs of the City – new affordable housing inventory creation and housing availability increase. Combined with pedestrian and bike accessibility, universal design and new construction standards which incorporate ADA accessibility requirements, sustainable design and energy efficient construction – all of these elements offer unprecedented opportunity to create a more sustainable, physically accessible and less motor vehicle dependent, fairly priced, local- economy-supporting, community..

13. Aesthetics of the project.

The Spotswood Collaborative has in its membership a team includes respected local architects with the necessary credentials and the professional experience to ensure a well designed project. With hundreds of projects in their portfolios our members have been working in our community for years creating the same type of architectural heritage that Lexington is known for. It is our goal and desire to create a residential community which will only improve and enhance Lexington, the place we all, collectively call our home.

14. Sample contract.

Previously submitted