

AMENDMENT NO. 1 TO REDEVELOPMENT PLAN

SOUTH JEFFERSON REDEVELOPMENT AREA

Roanoke Redevelopment and Housing Authority

This Amendment No. 1 to the Redevelopment Plan for the South Jefferson Redevelopment Area (hereinafter referred to as the “Amended Redevelopment Plan” or the “Amended South Jefferson Redevelopment Plan”) amends and supplements, but does not replace, the Redevelopment Plan for the area that was approved by the Board of Commissioners of the City of Roanoke Redevelopment and Housing Authority on March 12, 2001, and approved by the Roanoke City Council on March 19, 2001. This Amended Redevelopment Plan constitutes the Revitalization Plan for the area for the next five (5) years. This Amended Redevelopment Plan has an effective date of June 30, 2010. It consists of eighteen (18) pages, two (2) maps and one (1) appendix.

In the event there is any conflict between the provisions of the original South Jefferson Redevelopment Plan and this Amended Redevelopment Plan, then the provisions of the two Plans shall be construed insofar as possible to be consistent, but if this is not possible then the provisions of this Amended Redevelopment Plan shall govern.

TABLE OF CONTENTS

	<u>Page</u>
A. INTRODUCTION	3
B. DESCRIPTION OF PROJECT AREA	3
C. CONDITIONS REQUIRING REDEVELOPMENT AT TIME OF APPROVAL OF THE ORIGINAL SOUTH JEFFERSON REDEVELOPMENT PLAN	6
D. REDEVELOPMENT ACTIVITY SINCE APPROVAL OF THE ORIGINAL SOUTH JEFFERSON REDEVELOPMENT PLAN	7
E. OTHER PRIVATE ACTIVITY IN THE REDEVELOPMENT AREA SINCE APPROVAL OF THE ORIGINAL SOUTH JEFFERSON REDEVELOPMENT PLAN	8
F. OTHER ACTIVITIES IN THE REDEVELOPMENT AREA SINCE APPROVAL OF THE ORIGINAL SOUTH JEFFERSON REDEVELOPMENT PLAN	8
G. PROGRESS TOWARD ACHIEVING GOALS AND OBJECTIVES SINCE APPROVAL OF THE ORIGINAL SOUTH JEFFERSON REDEVELOPMENT PLAN	9
H. REDEVELOPMENT AREA TO REMAIN IN EFFECT AS DELINEATED IN ORIGINAL SOUTH JEFFERSON REDEVELOPMENT PLAN	10
I. GOALS AND OBJECTIVES TO REMAIN IN EFFECT AS TO UNDEVELOPED PARCELS	10
J. GENERAL LAND USE PLAN TO REMAIN IN EFFECT	10
K. REDEVELOPMENT TECHNIQUES TO BE USED TO ACHIEVE PLAN OBJECTIVES	10
L. OTHER PROVISIONS NECESSARY TO MEET STATE AND LOCAL LAW	13
M. CONTINUING OBLIGATIONS OF PURCHASERS AS TO PROPERTY ACQUIRED PRIOR TO EFFECTIVE DATE OF THIS AMENDED REDEVELOPMENT PLAN	17
N. PROCEDURES FOR AMENDMENTS	18

AMENDED SOUTH JEFFERSON REDEVELOPMENT PLAN
Effective as of June 30, 2010
CITY OF ROANOKE, VIRGINIA

A. INTRODUCTION

On March 12, 2001, the Board of Commissioners of the City of Roanoke Redevelopment and Housing Authority ("RRHA") approved the original South Jefferson Redevelopment Plan, in which the South Jefferson Redevelopment Area was designated as a REDEVELOPMENT PROJECT under Chapter 1, Article 7, Title 36, Code of Virginia (as in effect in March 2001) because it was found to be a "blighted or deteriorated area" in need of concentrated public action in order to remove blight and blighting influences and permit proper redevelopment so as to strengthen the economic base of the City of Roanoke, Virginia. The Roanoke City Council subsequently approved the South Jefferson Redevelopment Plan on March 19, 2001.

The problems identified in the South Jefferson Redevelopment Area included: deteriorated and dilapidated structures, deficient streets, sidewalks, and drainage, deleterious land uses, obsolete layout/faulty arrangement of design, obsolescence, flood hazards, abandoned structures, abandoned vehicles, an accumulation of debris and overgrown lots, depressed economic business activity, and a decline in the economic impacts for the City of Roanoke. Studies determined that 74.4% of the total land area, comprising 77.8% of the tax parcels, in the South Jefferson Redevelopment Area was, for one or more of the reasons set forth in the applicable statutes, either blighted and deteriorated or improperly developed, or both. The remaining parcels were adversely affected by these conditions. The target area was designated as a Redevelopment Area for the purpose of removing blight and blighting influences and with a goal of providing for the physical and economic revitalization of the area.

As explained in more detail below, efforts undertaken by RRHA under the terms of the original South Jefferson Redevelopment Plan, combined with private activities in the South Jefferson Redevelopment Area, have resulted in substantial progress toward achieving the goals and objectives of the original South Jefferson Redevelopment Plan. RRHA is still engaged in redevelopment activities on parcels within the South Jefferson Redevelopment Area, and there remains a need for targeted attention to those properties as well as to properties located in Phase 4 of the South Jefferson Redevelopment Area.

B. DESCRIPTION OF PROJECT AREA

The boundary of the South Jefferson Redevelopment Area is delineated on the Boundary and Acquisition Map (Exhibit 1a), South Jefferson Redevelopment Area, Roanoke Redevelopment and Housing Authority (RRHA), dated January 5, 2001, and is further described as follows:

BOUNDARY DESCRIPTION
SOUTH JEFFERSON REDEVELOPMENT AREA

BEGINNING at the southwestern point of Parcel 1040102, City Tax Map, on the eastern right-of-way line of Route 220, Roy Webber Expressway;

Thence, northeasterly approximately 32.5 feet along the right-of-way of Route 220 to a point, said point being the northwestern corner of Parcel 1040102, City Tax Map;

Thence, easterly approximately 994.4 feet along the northern property line of Parcel 1040102, City Tax Map, to its intersection with the western right-of-way line of Franklin Road.

Thence, continuing easterly approximately 62 feet across Franklin Road to a point on the eastern right-of-way line of Franklin Road;

Thence, northerly approximately 229.5 feet along the eastern right-of-way line of Franklin Road to a point approximately 37.5 feet west of Parcel 1032205, City Tax Map;

Thence, easterly approximately 1173.38 feet to a point approximately 30 feet north of the northernmost boundary point of Parcel 1032207 Tract A, City Tax Map;

Thence, northeasterly approximately 762.51 feet to a point on the western right-of-way line of Jefferson Street;

Thence, northerly approximately 1409.5 feet along the western right-of-way line of Jefferson Street to the intersection of said line with the northern right-of-way line of Albermarle Avenue;

Thence, easterly approximately 372.5 feet along the northern right-of-way line of Albermarle Avenue to the intersection of said line with the western right-of-way of the alley closed by ordinance 22087-3375;

Thence, northerly 136.2 feet along said alley right-of-way line to its intersection with the northern property line of Parcel 4021503, City Tax Map; Thence, westerly approximately 193.6 feet along the northern property lines of Parcels 4021503, 4021508 and 4021507, City Tax Map, to the intersection of said line with the western property line of Parcel 4021505, City Tax Map;

Thence, northerly approximately 270.0 feet along the western property line of Parcel 4021505 to the intersection of said line with the southern right-of-way line of Highland Avenue;

Thence, continuing northerly approximately 50 feet along the western right-of-way line of Highland Avenue to the north right-of-way line of said Avenue;

Thence, easterly approximately 246.5 feet along the northern right-of-way line of Highland Avenue to the intersection of the said right-of-way line with the western right-of-way line of 3rd Street;

Thence, continuing easterly across 3rd Street approximately 50 feet to a point, said point being on the eastern right-of-way-of 3rd Street;

Thence, southerly approximately 1340.6 feet along the eastern right-of-way line of 3rd Street to the intersection of said line with the northern right-of-way line extended of the Norfolk Southern Corporation Railway eastern tracks;

Thence, continuing easterly across the northern right-of-way line extended of the Norfolk Southern Corporation Railway to the intersection of said line with the southern most property boundary point of Parcel 4030307, City Tax Map, on the eastern right-of-way line of the Norfolk Southern Corporation Railway;

Thence, northerly approximately 1152 feet along the eastern right-of-way line of the Norfolk Southern Corporation Railway to the intersection of said line with the southern right-of-way line of Albermarle Avenue;

Thence, continuing northerly approximately 50 feet across Albermarle Avenue to a point at the intersection of the northern right-of-way line of Albermarle Avenue with the western most property boundary point of Parcel 4020920, City Tax Map;

Thence, northerly approximately 211.0 feet along said western property line of Parcel 4020920, City Tax Map, to its intersection with the southwestern right-of-way line of 4th Street;

Thence, continuing north approximately 427.7 feet to a point along the northern right-of-way line of 4th Street;

Thence, southeasterly approximately 50 feet across 4th Street to a point at the intersection of the southern right-of-way line of 4th Street and the northern property line of Parcel 4021914, City Tax Map;

Thence, southeasterly approximately 110 feet along the northern property line of Parcel 4021914, City Tax Map, to the intersection with the eastern property line of said Parcel;

Thence, southerly approximately 440.3 feet along the eastern property lines of Parcels 4021914, 4021934, and 4021915, City Tax Map, to the intersection of said line with the northern right-of-way line of Albermarle Avenue;

Thence, easterly approximately 94.9 feet along the northern right-of way line of Albermarle Avenue to the intersection of said line with the eastern property line of Parcel 4021925, City Tax Map;

Thence, southerly approximately 50 feet across Albermarle Avenue to point at the intersection of the southern right-of-way line of Albermarle Avenue and the western property boundary line of Parcel 4022211, City Tax Map;

Thence, southerly approximately 282 feet along the western property lines of Parcels 4022211 and 402223, City Tax Map, to the intersection of said western property line with the northern right-of-way line of the Norfolk Southern Corporation Railway;

Thence, southerly approximately 87 feet across the Norfolk Southern Corporation Railway to a point along the southern right-of-way line of the Norfolk Southern Corporation Railway;

Thence, northeasterly approximately 217.6 feet along the southern right-of-way line of the Norfolk Southern Corporation Railway;

Thence, southeasterly approximately 19.6 feet along the southern right-of-way line of the Norfolk Southern Corporation Railway to the intersection of said line with the northern property line of Parcel 4030301, City Tax Map;

Thence, southerly approximately 40 feet along the northern property line of Parcel 4030301, City Tax Map;

Thence, easterly approximately 100 feet along said northern property line to the eastern most property line of Parcel 4030301, City Tax Map;

Thence, southwesterly approximately 428 feet along the eastern property line of Parcel 4030301, City Tax Map, to its intersection with the eastern right-of-way line of the Walnut Bridge On-Ramp Access Road;

Thence, southwesterly approximately 12 feet along the eastern right-of-way line of the Walnut Bridge On-Ramp Access Road to its intersection with the most southeasterly property boundary of Parcel 4030304, City Tax Map;

Thence, continuing southwesterly approximately 320 feet along the southeasterly property line of Parcel 4030304, City Tax Map, to said lines intersection with the northern right-of-way line of Walnut Avenue.

Thence, continuing southwesterly approximately 55 feet across Walnut Avenue to the intersection of said Avenue and the southeast corner of Parcel 4030306, City Tax Map;

Thence, southwesterly approximately 482 feet along the eastern property line of Parcel 4030306 to the intersection of said line with the eastern right-of-way line of the Norfolk Southern Corporation Railway;

Thence, southerly approximately 258.5 feet along the eastern right-of-way line of the Norfolk Southern Corporation Railway to its intersection with the northern property line of Parcel 4040501, City Tax Map;

Thence, southerly approximately 1453.5 feet along the east property lines of Parcels 4040501, 4040503, 4040506, 4040502, 4040508 and 4040507, City Tax Map, to the intersection of said line with the southwest corner of Parcel 4040507, City Tax Map and the eastern right-of-way line of South Jefferson Street;

Thence, westerly approximately 93 feet across South Jefferson Street to a point at the intersection of the eastern right-of-way line of the Norfolk Southern Corporation Railway and the eastern right-of-way of South Jefferson Street;

Thence, northerly approximately 875 feet along the eastern right-of-way line of Jefferson Street to a point at the intersection of said eastern right-of-way line and the southern right-of-way line extended of Reserve Avenue;

Thence, westerly approximately 1970.4 feet along the southern right-of way line of Reserve Avenue to its intersection with the eastern right-of-way line of Franklin Road;

Thence, southwesterly approximately 134.9 feet along the eastern right-of-way line of Franklin Road to a point at the intersection of said eastern right-of-way and the southern property line of Parcel 1040102, City Tax Map, extended;

Thence, westerly approximately 56 feet across Franklin Road to a point at the intersection of the western right-of-way line of Franklin Road and the southern property line of Parcel 1040102, City Tax Map;

Thence, westerly approximately 850.8 feet along the southern property line of Parcel 1040102, City Tax Map, to the POINT OF BEGINNING.

This area is hereinafter referred to as the “Redevelopment Area.”

C. CONDITIONS REQUIRING REDEVELOPMENT AT TIME OF APPROVAL OF THE ORIGINAL SOUTH JEFFERSON REDEVELOPMENT PLAN

The original South Jefferson Redevelopment Plan that was approved by the Board of Commissioners of RRHA on March 12, 2001, and approved by the Roanoke City Council on March 19, 2001, sets out the conditions that were deemed to require redevelopment as of the date of the approval of the Redevelopment Plan. Section C of the original South Jefferson Redevelopment Plan (“Conditions

Requiring Redevelopment”) details the conditions and factors that were found to be present in the Redevelopment Area and that supported the determination that the area qualified as a “blighted or deteriorated area” eligible for redevelopment under the law in effect at the time the original South Jefferson Redevelopment Plan was approved.

D. REDEVELOPMENT ACTIVITY SINCE APPROVAL OF THE ORIGINAL SOUTH JEFFERSON REDEVELOPMENT PLAN

The attached graphic titled “Property Transactions – South Jefferson Redevelopment Area” shows the properties acquired by RRHA and conveyed for redevelopment since the adoption of the original South Jefferson Redevelopment Plan.

RRHA acquired thirty-four tax parcels located in the Redevelopment Area, comprising approximately 25 acres, more or less, through eleven (11) voluntary transactions.¹ These acquisitions included three of the largest parcels in the Redevelopment Area. A portion of one of these eleven parcels was deeded to the City of Roanoke for use in connection with the Roanoke River flood reduction project.² All of the parcels acquired by RRHA through voluntary transactions in Phase 1 and Phase 1A of the Redevelopment Area were cleared by RRHA and made available for redevelopment by private enterprise. All of these parcels have either been redeveloped or are currently in the process of being redeveloped by private enterprise, in conformance with the terms of the South Jefferson Redevelopment Plan. Properties acquired by RRHA in Phase 3 of the Redevelopment Area have been sold to a private entity which, under an agreement with RRHA, has demolished the existing structures and cleared the property.³ RRHA still owns another property in Phase 3 of the Redevelopment Area, but has an agreement in place to sell that property to the same private entity once environmental remediation of the property is completed.⁴ Once that property is transferred to the purchaser, the purchaser will be obligated to submit a site development plan for the properties to RRHA within eighteen months of the completion of site preparation work.

The acquisition, clearance and redevelopment of these properties has had a significant impact in addressing the blight conditions described above.

RRHA is in the process of acquiring three parcels in the Redevelopment Area through the condemnation process.⁵ Condemnation of these parcels was pursued because the current owners of such parcels have

¹ Tax Map Nos. 4040507, 4040503, 1031903, 1032203, 1031902, 1032001, 1031901, 1032207, 4040301 (includes tax map numbers 1032002, 1032005, 1032006, 1032101, 1032102, 1032103, 1032104, 1032105, 1032106, 4040207, 4040202, 4040203, 4040204, 4040206, 4040303 & 4040306), 4040401 (includes tax map numbers 4030501, 4040401, 4040102, 4040103, 4040104, 4040105, 4040106, 4040201). RRHA also acquired a 2.645 acre tract of former railroad right of way through a transaction with Norfolk Southern Railway Co.

² Current Roanoke City Tax Map No. 4040503R, comprising 0.3517 acres.

³ Tax Map No. 4040301 (includes tax map numbers 1032002, 1032005, 1032006, 1032101, 1032102, 1032103, 1032104, 1032105, 1032106, 4040207, 4040202, 4040203, 4040204, 4040206, 4040303 & 4040306).

⁴ Tax Map No. 4040401 (includes tax map numbers 4030501, 4040401, 4040102, 4040103, 4040104, 4040105, 4040106, 4040201).

⁵ Tax Map Nos. 1032208 & 1032209 (located in Phase 1 of the Redevelopment Area); Tax Map No. 4030212 (located in Phase 2 of the Redevelopment Area).

failed to redevelop them as called for by the South Jefferson Redevelopment Plan. RRHA has acquired title to two of these parcels following a trial on the issue of the amount of just compensation owed, entry of a Court Order confirming the Jury Report establishing the amount of just compensation owed, and payment by RRHA of this amount into Court.⁶ However, post-trial and appellate proceedings have not been completed. Trial on the issue of just compensation owed for the third parcel is currently scheduled for September, 2010.⁷ The just compensation trial in that case was continued from an earlier date with a stipulation by the landowners to waive any defenses that might be asserted to the taking of the property.

E. OTHER PRIVATE ACTIVITY IN THE REDEVELOPMENT AREA SINCE APPROVAL OF THE ORIGINAL SOUTH JEFFERSON REDEVELOPMENT PLAN

The attached graphic titled “Property Transactions – South Jefferson Redevelopment Area” also shows the parcels in the Redevelopment Area that have been acquired in *private* transactions since the date of approval of the Redevelopment Plan. Since the date of the approval of the Redevelopment Plan, roughly sixty (60) percent of the real estate transactions in the Redevelopment Area, *by parcel*, have been transactions between private owners in which RRHA was not involved. Much of the private owner activity has occurred in the northern portion of the Redevelopment Area, in Phase 2 and Phase 4. Several of these parcels have already been redeveloped in a manner consistent with the Redevelopment Plan (*e.g.*, current Roanoke City Tax Map Nos. 4022001 and 4022012, which combined some fifteen tax parcels located in the Redevelopment Area into two large parcels that have been redeveloped into an ambulatory surgery center), while others have been substantially improved. In all, 26 parcels totaling approximately 13 acres, more or less, within the boundaries of the Redevelopment Area have been acquired by private entities, with no involvement by RRHA, since the original South Jefferson Redevelopment Plan was adopted.

Additionally, two parcels in the Redevelopment Area have been redeveloped by the original owner in conformance with the South Jefferson Redevelopment Plan.⁸

F. OTHER ACTIVITIES IN THE REDEVELOPMENT AREA SINCE APPROVAL OF THE ORIGINAL SOUTH JEFFERSON REDEVELOPMENT PLAN

Other significant activities in or adjacent to the Redevelopment Area include:

1. The restoration of the Virginian Railway Passenger Station (located within the South Jefferson Redevelopment Area) is being undertaken by the Roanoke Chapter of the National Railway Historical Society, in partnership with the Roanoke Valley Preservation Foundation. The historic structure is to be restored and returned to a combination of public and private use. Federal and State grants totaling more than \$500,000 have been obtained to begin the restoration.

⁶ *City of Roanoke Redevelopment and Housing Authority v. B&B Holdings LLC, et al.*, Case No. 770CL07001348-00, in the Circuit Court for the City of Roanoke.

⁷ *City of Roanoke Redevelopment and Housing Authority v. William D. Stegall, et al.*, Case No. 77CL08002454-00, in the Circuit Court for the City of Roanoke.

⁸ Tax Map Nos. 1032212 & 4040501.

2. Demolition of the former Victory Stadium site, adjacent to the Redevelopment Area, and its conversion to recreational space.
3. The scheduled demolition of the National Guard Armory and the former Parks and Recreation Department building located on property adjacent to the Redevelopment Area, as a part of the Roanoke City Parks & Recreation Master Plan.
4. The development of the Roanoke River Greenway and attendant features.

G. PROGRESS TOWARD ACHIEVING GOALS AND OBJECTIVES SINCE APPROVAL OF THE ORIGINAL SOUTH JEFFERSON REDEVELOPMENT PLAN

Substantial progress has been made toward achieving the goals and objectives set out in the original South Jefferson Redevelopment Plan. A substantial portion of the Redevelopment Area has been redeveloped so as to eliminate blight, blighting influences, deteriorating structures and deleterious land uses. **Appendix A** (attached and made a part of this Amended Redevelopment Plan) contains photographs showing the condition of properties in the Redevelopment Area prior to the commencement of redevelopment activities along with photographs showing the current condition of the properties after redevelopment activities. The redevelopment has proceeded in an orderly manner so as to tie the Redevelopment Area more closely to the central downtown area of the City, thereby strengthening both areas. Redevelopment focused on medical/biomedical/biotechnology and related uses has produced a stable mix of appropriate business which generate substantial economic value for the City of Roanoke.

However, there remain some portions of the Redevelopment Area, primarily located between Williamson Road and the Roanoke River in Phase 4 of the Redevelopment Area, which continue to be in need of redevelopment, and the redevelopment of these parcels would provide additional benefits to the City of Roanoke. A number of these parcels remain in distressed condition. Purchasers of some of these parcels have approached RRHA and/or the City of Roanoke to discuss potential redevelopment of those parcels. Additionally, the existence and enforcement of the General Land Use Plan set forth in the original South Jefferson Redevelopment Plan, and the use and enforcement of the *Design Guidelines for the South Jefferson Redevelopment Area*, have resulted in an orderly, uniform redevelopment with substantial positive benefits for the City of Roanoke. Accordingly, is it desirable and appropriate that certain aspects of the South Jefferson Redevelopment Plan remain operative in order to control, direct and assist development of those parcels still in need of redevelopment.

Additionally, it is desirable and necessary that certain provisions of the South Jefferson Redevelopment Plan remain in effect in order to govern ongoing and planned redevelopment of parcels which have already been acquired by RRHA, or which RRHA is in the process of acquiring, so that these properties will be redeveloped in an appropriate manner consistent with the intent of the South Jefferson Redevelopment Plan and the provisions of the *Design Guidelines for the South Jefferson Redevelopment Area*. This includes redevelopment of the remaining property in Phase 1 of the Redevelopment Area which has been acquired by RRHA, but not yet redeveloped⁹, which is necessary in order to complete that phase of the redevelopment project, as well as redevelopment of the property to be acquired by condemnation in Phase 2 of the Redevelopment Area¹⁰, which is a highly visible property and is in a

⁹ Tax Map Nos. 1032208 & 1032209.

¹⁰ Tax Map No. 4030212.

location that will help to tie together redevelopment activities undertaken by RRHA with development activities undertaken through private transactions.

H. REDEVELOPMENT AREA TO REMAIN IN EFFECT AS DELINEATED IN ORIGINAL SOUTH JEFFERSON REDEVELOPMENT PLAN

The boundaries of the Redevelopment Area as established in the original South Jefferson Redevelopment Plan shall remain unchanged.

I. GOALS AND OBJECTIVES TO REMAIN IN EFFECT AS TO UNDEVELOPED PARCELS

The Goals and Objectives set forth in Section D of the original South Jefferson Redevelopment Plan (“Statement of Goals and Objectives”) are hereby reaffirmed. Particularly, there is a need for continued redevelopment of the remaining undeveloped parcels in the Redevelopment Area, particularly those parcels in Phase 1, Phase 2, Phase 3 (which are in the process of redevelopment), and parcels in Phase 4 which have not yet been redeveloped, in order to provide for appropriate land uses, to have such parcels redeveloped in accordance with the Redevelopment Plan, to provide for an orderly development framework in order to connect the Redevelopment Area more closely to the central downtown area, and to permit improved public access to and enjoyment of the Roanoke River.

J. GENERAL LAND USE PLAN TO REMAIN IN EFFECT

The General Land Use Plan set forth in the original South Jefferson Redevelopment Plan (Section E, including subsections a. through g.) shall remain in effect, and is hereby incorporated by reference as though fully set forth.

K. REDEVELOPMENT TECHNIQUES TO BE USED TO ACHIEVE PLAN OBJECTIVES

Based on the substantial progress that has been made toward achieving the goals and objectives of the South Jefferson Redevelopment Plan since its approval, the need for continued aggressive acquisition, clearance and redevelopment of additional land within the Redevelopment Area utilizing public funds has greatly diminished. Accordingly, as of the date of the approval of this Amended Redevelopment Plan RRHA will focus on redevelopment through private transactions with owners of properties in the Redevelopment Area (either through voluntary acquisition of properties if requested or agreed to by the property owner(s) or through partnerships to support owner redevelopment of the properties). With the exception of the properties it is currently in the process of acquiring through the condemnation process, RRHA has no present plans to acquire any additional properties in the Redevelopment Area unless the acquisition is at the request of, or with the agreement of, the owner(s) of the property. With the exception of the properties it is currently in the process of acquiring through the condemnation process, RRHA does not intend at this time to use the power of eminent domain to acquire additional properties in the Redevelopment Area. However, eminent domain will be considered in very narrow circumstances as permitted under Virginia Code § 1-219.1, or other applicable laws, but only based on additional future action by the Board of Commissioners of RRHA.

From and after the date of approval of this Amended Redevelopment Plan, RRHA will no longer actively seek to acquire additional properties in the Redevelopment Area. However, RRHA intends to complete the acquisition of the three parcels which it is currently seeking to acquire through condemnation proceedings. The attached “Boundary & Acquisition Map” delineates the remaining properties in the Redevelopment Area which RRHA will consider for acquisition if requested or agreed to by the property

owner(s). RRHA will consider acquisition of additional properties in the Redevelopment Area only on the bases set forth below.

1. Acquisition of Real Property by Use of Eminent Domain

From and after the date of approval of this Amended Redevelopment Plan, property designated as property “to be considered for acquisition” on the attached Boundary & Acquisition Map **will not** be acquired by RRHA through the use of eminent domain **except** in the following limited circumstances:

- a. Subject to the availability of funds, RRHA may utilize eminent domain to acquire property within the Redevelopment Area, and designated as property “to be considered for acquisition,” if the property is abandoned. Before eminent domain may be utilized in any such case, RRHA’s Board of Commissioners must pass a resolution (i) determining that the property is abandoned; (ii) identifying the source of the funds to be used for acquisition of the property; and (iii) authorizing the use of eminent domain.
- b. Subject to the availability of funds, RRHA may utilize eminent domain to acquire property within the Redevelopment Area, and designated as property “to be considered for acquisition,” if the acquisition is needed to clear title where one of the owners agrees to such acquisition. Before eminent domain may be utilized in any such case, RRHA’s Board of Commissioners must pass a resolution (i) identifying the source of the funds to be used for acquisition of the property; and (ii) authorizing the use of eminent domain.
- c. Subject to the availability of funds, RRHA may utilize eminent domain to acquire property within the Redevelopment Area, and designated as property “to be considered for acquisition,” if the acquisition is by agreement of all the owners. Before eminent domain may be utilized in any such case, RRHA’s Board of Commissioners must pass a resolution (i) identifying the source of the funds to be used for acquisition of the property; and (ii) authorizing the use of eminent domain.
- d. Subject to the availability of funds, RRHA may utilize eminent domain to acquire property within the Redevelopment Area, and designated as property “to be considered for acquisition,” if the property is itself a blighted property. Any such acquisition shall be conducted under, and in accordance with, the applicable provisions of Virginia Code § 36-49.1:1 and/or other applicable laws.

2. Voluntary Acquisition of Real Property.

With the exception of the properties it is in the process of acquiring through the condemnation process, RRHA currently does not intend to acquire additional properties in the Redevelopment Area, but if approached by the owner or owners of properties in the Redevelopment Area RRHA will consider purchases of property within the Redevelopment Area, and designated as property “to be considered for acquisition,” through a voluntary transaction with the owner(s) and subject to the availability of funds as appropriated by the City of Roanoke. RRHA reserves the right to initiate a request for such voluntary acquisition if RRHA’s Board of Commissioners approves and authorizes such a request.

3. Adaptive Reuse/Rehabilitation.

RRHA will seek to provide assistance in the adaptive reuse and renovation and/or rehabilitation of buildings (abandoned commercial/residential structures) to expand housing opportunities and/or provide for commercial reuse. Adaptive reuse and rehabilitation will only be accomplished in partnership with private investors, and if the property can be brought up to building codes and local minimum rehabilitation standards.

4. Public Facilities and Improvements.

New street and drainage improvements will be constructed in accordance with specific improvements identified in the City of Roanoke's Capital Improvement Program. These improvements involve the reconstruction of deteriorating sidewalks, streets, curbs and gutters, water and sewer improvements, new street construction, flood reduction measures, provision of landscaped open space and general aesthetic improvements in the area. Where there are street deficiencies, they will be resurfaced and/or widened. Curb and gutter and sidewalks and storm drainage ditches and piping will be provided to improve circulation and correct drainage problems and erosion. Utilities will be improved as needed throughout the Redevelopment Area.

5. Private Redevelopment of Parcels.

RRHA will seek to encourage owner redevelopment of remaining properties within the Redevelopment Area that have not yet been redeveloped. RRHA will consider a plan of development by an existing property owner for the owners' properties if the proposed development plan complies with the provisions and intent of the Amended South Jefferson Redevelopment Area Plan. RRHA may choose to proceed in a contractual relationship with the owner to ensure a sound and wholesome development in accordance with the Redevelopment Plan. Subject to the availability of funds as appropriated by the City of Roanoke, RRHA will consider providing assistance to owners, in the form of loans or grants of funds, to facilitate the construction, reconstruction or rehabilitation of properties.

6. Making Land Acquired Available for Redevelopment.

If RRHA acquires additional property in the Redevelopment Area utilizing any of the techniques set forth in this Amended Redevelopment Plan, RRHA will make that property available to private enterprise/non-government persons or entities or to public-private partnerships/joint ventures for the purposes of redevelopment.

7. Redeveloper's Obligations.

The redeveloper will be subject to the following conditions which shall be implemented by appropriate covenants running with the land or other provisions in disposition instruments or loan documents.

- a. The redeveloper shall begin and complete the development or rehabilitation of Redevelopment Area property within the time specified in the disposition instruments or rehabilitation loan documents.
- b. The redeveloper shall retain all interest acquired in the property until the completion of improvements, construction and development of the property so acquired or property to be rehabilitated, pursuant to the Redevelopment Plan and shall not sell, lease or transfer the

interest acquired or any part thereof prior to such completion of improvements, construction and development without the consent of RRHA.

- c. Should the redeveloper sell or transfer the property after completion of the improvements, construction and development of the property so acquired, the redeveloper shall, prior to the closing of such transaction, provide RRHA with a written commitment from the purchaser or transferee, in a form acceptable to RRHA, confirming that the purchaser/transferee is aware of the covenants running with the land and/or other conditions set forth in the disposition instruments or loan documents referenced in subsection a, and agreeing to comply with those provisions and with all other applicable provisions of the Redevelopment Plan.

8. Ongoing Redevelopment.

Purchasers who acquired property in the Redevelopment Area prior to the date of approval of this Amended Redevelopment Plan shall remain subject to all of the provisions of the original South Jefferson Redevelopment Plan and this Amended Redevelopment Plan.

9. Acquisition of Easements/Right-of-Way in the Redevelopment Area.

Nothing in this Amended Redevelopment Plan shall be construed to affect any rights the City of Roanoke may have to acquire easements and/or public right-of-way in the Redevelopment Area, nor shall it be construed to affect the rights of the City of Roanoke or any public service or utility company to acquire such easements or right-of-way as may be needed in order to provide necessary utility services.

L. OTHER PROVISIONS NECESSARY TO MEET STATE AND LOCAL LAW

1. Portions of the South Jefferson Redevelopment Area, particularly the area located between Williamson Road and the Roanoke River in the northeast portion of the Redevelopment Area, remain substandard by reason of commercial or industrial structures and improvements that are dilapidated or deteriorated, and due to obsolescence, deterioration of structures, flood hazards and other conditions detrimental to public health, safety or welfare of the citizens of Roanoke. This portion of the Redevelopment Area continues to contain “blighted property” (as that term is defined in Virginia Code § 36-3) and continues to be a “blighted area” (as that term is defined in Virginia Code § 36-3).
2. The South Jefferson Redevelopment Area is appropriate for clearance, redevelopment and rehabilitation treatment by the necessity to remove, prevent and reduce the remaining blight, blighting influences and other causes of blight.
3. Proposed land uses within the Redevelopment Area have a definite relationship with local objectives as to the appropriate land uses and transportation, public utilities, recreation, and community facilities and other improvements.
4. The Amended Redevelopment Plan indicates the remaining properties that RRHA will consider acquiring within the Redevelopment Area. However, RRHA does not intend to acquire any of these properties at this time, but instead will focus on redevelopment through private transactions with owners of properties in the Redevelopment Area (either through voluntary acquisition of properties if requested by the owner(s), or through partnerships to support owner redevelopment of the properties). Because RRHA does not intend to take active steps to acquire additional properties at this time, funding sources are not being identified at this time.

5. Funding for the acquisitions of those properties which RRHA is currently in the process of acquiring through the condemnation process has already been allocated by the City of Roanoke as a part of the budget for the South Jefferson Redevelopment Plan, or is to be allocated from funds appropriated by the City of Roanoke for development purposes, which amounts are sufficient to cover all anticipated costs of these acquisitions. The City of Roanoke and RRHA are parties to an “Amended and Supplemented South Jefferson Cooperation Agreement 2” which, among other things, obligates the City of Roanoke to provide “all necessary and appropriate funding to enable RRHA to fulfill its obligations hereunder and to accomplish the goals and objectives set forth in the [South Jefferson Redevelopment] Plan.” In March 2009, that “Amended and Supplemented South Jefferson Cooperation Agreement 2” was extended for a period of five (5) years, to and including March 18, 2014.
6. The use of eminent domain for acquisition of additional property in the Redevelopment Area will be considered only in very narrow circumstances as permitted under Virginia Code § 1-219.1, or other applicable laws, and only after funding sources for the acquisition have been identified and only after further action by RRHA’s Board of Commissioners.
7. From and after the date of approval of this Amended Redevelopment Plan, if RRHA acquires any additional property/properties within the Redevelopment Area, and designated as property “to be considered for acquisition,” such property shall be made available to private enterprise/non-government persons or entities or to public-private partnerships/joint ventures for the purposes of redevelopment in accordance with the terms of this Amended Redevelopment Plan. This Amended Redevelopment Plan indicates to the maximum extent possible the real property to be made available to private enterprise/non-government persons or entities, or to public-private partnerships/joint ventures, for the purposes of redevelopment, if acquired by RRHA.
8. The Amended Redevelopment Plan clearly indicates the proposed land uses, building and rehabilitation requirements in the Redevelopment Area.
9. The Redevelopment Area was determined to be eligible for clearance and redevelopment under Virginia Code §§ 36-48 & 36-49, as in effect in March 2001, because the area as a whole (interpreted to mean at least 51 percent of the total area) was “blighted or deteriorated” and the remaining property either suffered from factors causing blight or from conditions which prevented property development to implement the South Jefferson Redevelopment Plan. Virginia Code § 36-3, as currently in effect, specifically provides that the term “blighted area” includes “areas previously designated as blighted areas pursuant to the provisions of Chapter 1 (§ 36-1 et seq.) of this title.” The South Jefferson Redevelopment Plan provided for the realization of local objectives with respect to the health, safety and welfare of the City of Roanoke as specifically set forth in the original South Jefferson Redevelopment Plan. This Amended Redevelopment Plan provides for the realization of local objectives with respect to health, safety and welfare of the City of Roanoke, including:
 - a. To remove, reduce or prevent remaining blight or blighting factors. The Redevelopment area was determined to meet the Virginia eligibility requirements (as in effect in March 2001) because 74.4 percent of the land found in the Redevelopment Area was blighted or deteriorated by reason of dilapidation and significant environmental deficiencies (lack of ventilation, light, sanitary facilities, overcrowding, flooding, deleterious land use and faulty arrangement or design) and was detrimental to public health, safety or welfare. Studies showed that at the time the original South Jefferson Redevelopment Plan was approved, 77.8% percent of the parcels in the redevelopment area were blighted by virtue of dilapidation or environmental deficiencies, and that the remaining areas were adversely affected by

factors causing blight and prevented the proper development of property. Properties in the Redevelopment Area which have been acquired by RRHA, but which have not yet been fully redeveloped, include parcels deemed to be blighted or deteriorated at the time the original South Jefferson Redevelopment Plan was approved.

Additionally, the remaining parcels in Phase 4 of the Redevelopment Area which have not yet been redeveloped include parcels that were deemed to be “blighted or deteriorated” at the time the original South Jefferson Redevelopment Plan was approved. Observations and inspections by RRHA’s staff indicate that virtually all of these properties remain “blighted or deteriorated,” with many having deteriorated further since March 2001.

- b. To protect economic values and tax revenue by the upgrading of a blighted and economically depressed area of the City of Roanoke, Virginia. The Redevelopment Area was considered depressed because of declining employment and depressed wages in comparison to City business overall. The area also suffered from an inability to generate economic growth and value output demonstrated with declining revenues and declining labor income and employment over the previous years. The effects contributed to business closings, relocations from the area and/or lower gross revenues over an extended period. The elimination of blighted properties and provision of both direct and indirect public incentives for private reinvestment in the Redevelopment Area has promoted economic and employment growth and enhanced tax revenues for the City of Roanoke for the overall benefit of the community. However, further benefits could be realized through the completion of redevelopment activities currently underway in the Redevelopment Area (including the redevelopment of property acquired by RRHA, but not yet redeveloped, and the redevelopment of property which RRHA is in the process of acquiring), and there is potential for additional benefits from appropriate, directed redevelopment of undeveloped properties in Phase 4 of the Redevelopment Area in accordance with the terms of this Amended Redevelopment Plan.
- c. To facilitate the development of land inhibited by diverse ownership. Small individual property ownership and railroad property that transverses the area made it difficult for private enterprise to assemble sufficient parcels for redevelopment and to overcome basic problems of blight and deterioration in the area. Although substantial progress has been made in eliminating these conditions, the effects of diverse ownership of small parcels can still be seen, particularly in Phase 4 of the Redevelopment Area.
- d. To make land available for sound wholesome development by private enterprise, or by public/private partnerships or joint ventures, in accordance with the Amended Redevelopment Plan and consistent with:

1) Definite Local Objectives As To:

a) Appropriate Land Uses

The Amended Redevelopment Plan has a definite relationship with local objectives as to appropriate land uses and transportation, public utilities, recreation, and community facilities and other improvements.

b) Improved Streets and Internal Circulation

Improved bridges, road alignments, property access, widths and roadway surfaces throughout the area will eliminate street deficiencies still existing in parts of the Redevelopment Area and improve circulation, ingress and egress for the area and, connectivity with adjoining neighborhoods such as Old Southwest, Downtown Roanoke and Belmont.

c) Public Utilities

Improved utilities will assure that the area will be provided with adequate sewers and water service, storm drainage, power and advanced technology-telecommunication systems.

d) Flood Impact Reduction

Application of the City of Roanoke's floodplain regulations for new developments, adaptive reuses, and rehabilitation will reduce flood damage and mitigate flood problems within existing buildings on parcels that have not yet been redeveloped.

e) Community Facilities and Other Public Improvements

Aesthetic and functional improvements will include public open space and parks, improved sidewalks, bicycle and jogging paths and related enhancements such as street trees, lighting and landscaping. Landscaping and lighting requirements are also directly associated with private redevelopment efforts to improve the overall aesthetic nature and character of area properties.

2) Conditions and Limitations on Property Acquisition

Conditions and limitations on future acquisitions of property within the Redevelopment Area, if any, including limitations on the use of eminent domain, are set forth above in Section K of this Amended Redevelopment Plan (and are reiterated in Section L.6 of this Amended Redevelopment Plan). An agreement shall be executed between RRHA and the owner(s) of any property desiring assistance from, or participation by, RRHA in pursuing owner redevelopment to ensure compliance of development proposals with this Amended Redevelopment Plan.

3) Proposed Land Uses for Acquired Property:

Land uses proposed for property to be acquired are set forth in Section E.2. Land Use Provisions and Building Requirements of the original South Jefferson Redevelopment Plan and shown on the Proposed Land Use Map, dated January 5, 2001, included in the original South Jefferson Redevelopment Plan, all of which is incorporated by reference into this Amended Redevelopment Plan.

4) Conditions and Limitation Including Time, Under Which Additional Property Acquired by RRHA, if Any, Shall be Made Available:

At the time property is made available for rehabilitation or redevelopment by public or private enterprise and/or public/private partnerships or joint ventures, RRHA shall stipulate in disposition instruments that such rehabilitation or redevelopment treatment shall be completed within a reasonable time. (Reasonable time is under normal circumstances construed to mean not more than eighteen months from the date of conveyance of property, but RRHA reserves the right to utilize different or longer time periods based on the characteristics of the property, the nature of the proposed redevelopment, and/or other relevant factors.) Other conditions and limitations are set forth in Section E.2 of the original South Jefferson Redevelopment Plan, which is incorporated by reference into this Amended South Jefferson Redevelopment Plan.

5) Standards of Design, Construction, Maintenance, Use and Other Measures to Eliminate and Prevent Blight:

Such standards are embodied in Section E and F of the of the original South Jefferson Redevelopment Plan and the *Design Guidelines for the South Jefferson Redevelopment Area*, all of which are incorporated by reference. Where adaptive reuse is not appropriate or feasible, clearance is proposed in order to assure removal of existing physical and environmental causes of blight and to provide for the public improvements required to serve the area and prevent the recurrence of blighting conditions resulting from adverse environmental factors.

6) Relocation Assistance Plan for Displaced Businesses and Non-Profit Organizations:

RRHA will offer relocation assistance and services as required under Virginia's Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1972, as amended (hereafter referred to as "the Act"), and the related sections of the Virginia Administrative Code, (hereafter referred to as "the Code") to businesses and nonprofit organizations that are to be displaced as a result of approved redevelopment activities. The Act and the Code are the basis for this relocation plan and where this Amended Redevelopment Plan is in conflict with the Act or the Code, the Act or the Code shall govern.

M. CONTINUING OBLIGATIONS OF PURCHASERS AS TO PROPERTY ACQUIRED PRIOR TO EFFECTIVE DATE OF THIS AMENDED REDEVELOPMENT PLAN

Nothing in this Amended Redevelopment Plan shall be construed to alter, amend or modify in any way the obligations of purchasers of any property in the Redevelopment Area acquired from RRHA prior to the effective date of this Amended Redevelopment Plan. All such obligations, including all contractual obligations set forth in any agreement for purchase of the property and all obligations set forth in any deed or other disposition documents, shall remain in full force and effect.

Additionally, nothing in this Amended Redevelopment Plan shall be construed to alter, amend, modify or impair any rights or remedies which RRHA has, whether contractual or otherwise, with regard to any

property in the Redevelopment Area acquired by RRHA and conveyed to a third party for use in accordance with the South Jefferson Redevelopment Plan.

In the event there is any conflict between the provisions of the original Redevelopment Plan for the South Jefferson Redevelopment Area and this Amended Redevelopment Plan, then they shall be construed insofar as possible to be consistent, but if this is not possible then the provisions of this Amended Redevelopment Plan shall govern.

N. PROCEDURES FOR AMENDMENTS

This Amended Redevelopment Plan may be amended from time to time upon compliance with the requirements of law and outstanding covenant rights, provided that prior to the passage of any resolution amending the Amended Redevelopment Plan the owner of any land in the Redevelopment Area previously disposed of by RRHA for use in accordance with the South Jefferson Redevelopment Plan and/or the Amended Redevelopment Plan shall be sent written notice stating when and where the Roanoke City Council will consider any resolution enacting such amendment(s), and shall further advise where a copy of the proposed amendment(s) and a precise description of the proposed change(s) may be inspected. Such written notice shall be mailed at least thirty (30) days prior to the consideration of any such resolution by the Roanoke City Council.

[Remainder of this page intentionally left blank]

MAPS

BOUNDARY & ACQUISITION
SOUTH JEFFERSON REDEVELOPMENT AREA
ROANOKE REDEVELOPMENT & HOUSING AUTHORITY

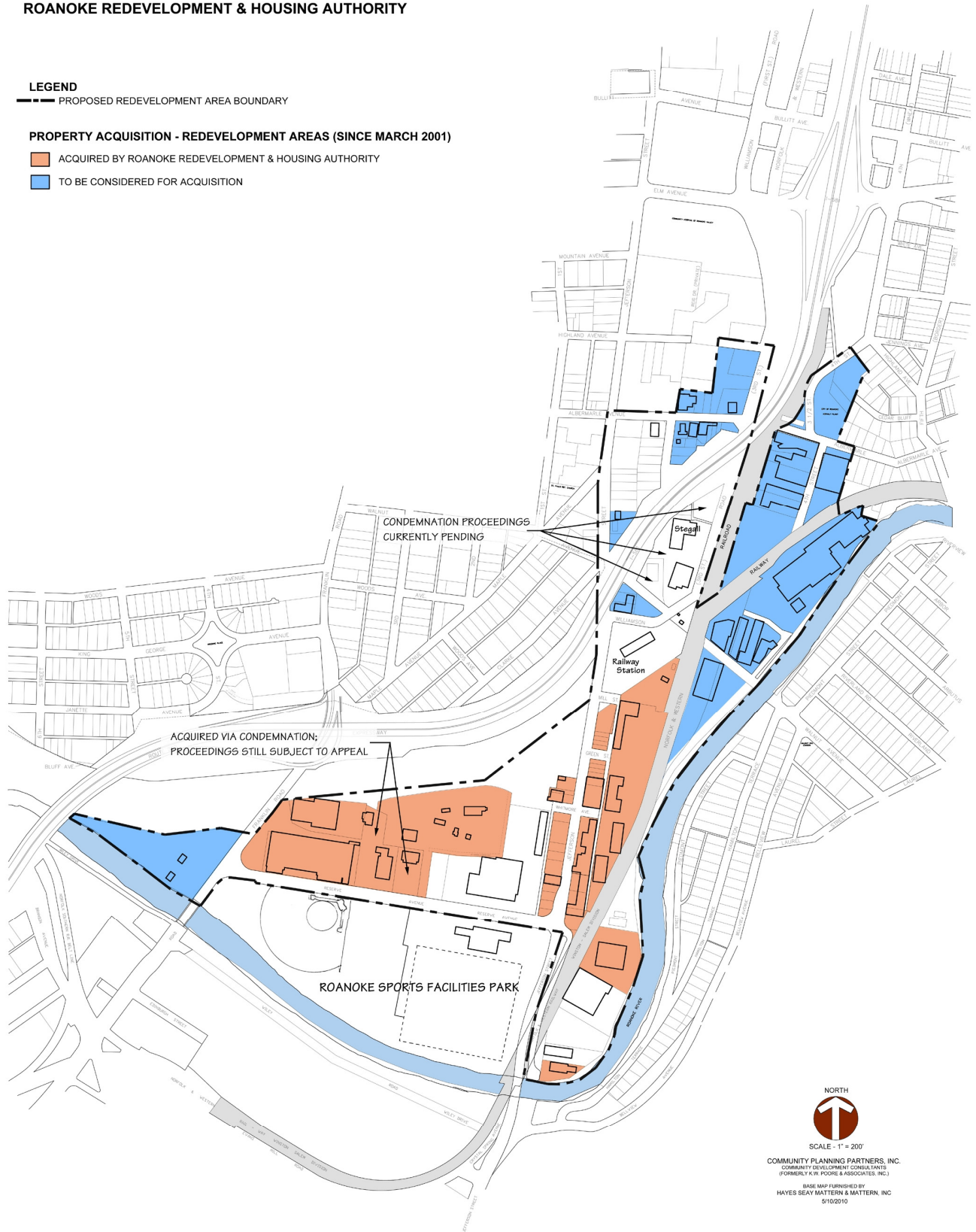
LEGEND

--- PROPOSED REDEVELOPMENT AREA BOUNDARY

PROPERTY ACQUISITION - REDEVELOPMENT AREAS (SINCE MARCH 2001)

ACQUIRED BY ROANOKE REDEVELOPMENT & HOUSING AUTHORITY

 TO BE CONSIDERED FOR ACQUISITION












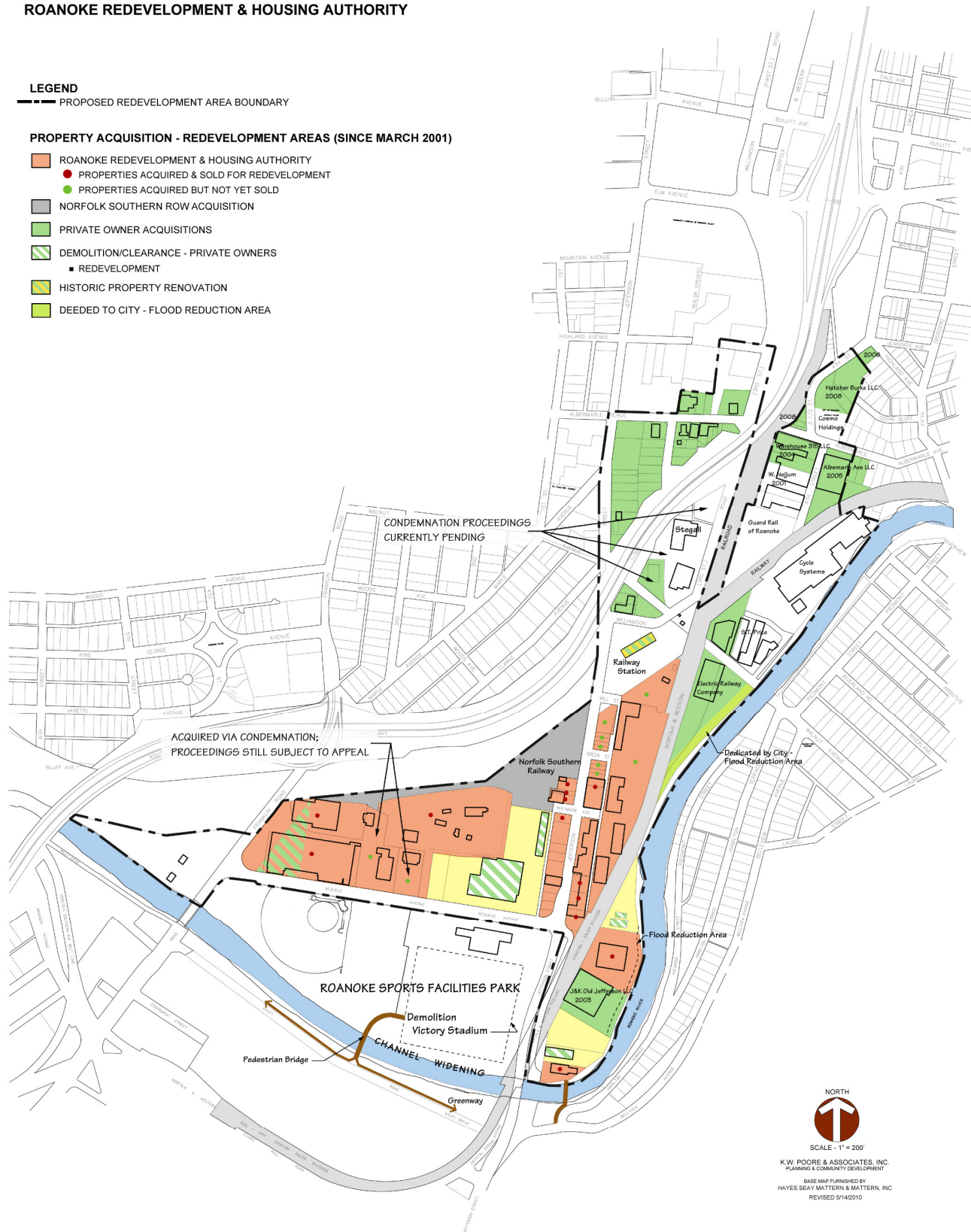
PROPERTY TRANSACTIONS
SOUTH JEFFERSON REDEVELOPMENT AREA
ROANOKE REDEVELOPMENT & HOUSING AUTHORITY

LEGEND

— — — PROPOSED REDEVELOPMENT AREA BOUNDARY

PROPERTY ACQUISITION - REDEVELOPMENT AREAS (SINCE MARCH 2001)

-  ROANOKE REDEVELOPMENT & HOUSING AUTHORITY
-  PROPERTIES ACQUIRED & SOLD FOR REDEVELOPMENT
-  PROPERTIES ACQUIRED BUT NOT YET SOLD
-  NORFOLK SOUTHERN ROW ACQUISITION
-  PRIVATE OWNER ACQUISITIONS
-  DEMOLITION/CLEARANCE - PRIVATE OWNERS
 -  REDEVELOPMENT
-  HISTORIC PROPERTY RENOVATION
-  DEEDED TO CITY - FLOOD REDUCTION AREA



APPENDIX

**SAMPLE PHOTOGRAPHS SHOWING EFFECT OF REDEVELOPMENT IN THE
SOUTH JEFFERSON REDEVELOPMENT AREA¹¹**



Aerial view of Riverside Center complex. Structures on the former Roanoke City Mills property (foreground) have been demolished, and that property is to be redeveloped in conjunction with the adjacent former Virginia Scrap Iron & Metal Company property which is currently undergoing environmental remediation.

¹¹ The photographs included in this Appendix are intended to be representative of what has occurred in the South Jefferson Redevelopment Area. They are not intended to document the entire project area or to show all of the impacts of redevelopment throughout the project area.



1 Riverside Center (corner of Jefferson Street & Reserve Avenue)



Riverside Center Parking Facility



Virginia Tech-Carilion School of Medicine (under construction)



View North up Jefferson Street from just beyond intersection with Reserve Avenue. Riverside Center complex buildings and Virginia Tech-Carilion School of Medicine shown on west side of Jefferson Street. The east side of Jefferson Street was formerly the site of Roanoke City Mills and Virginia Scrap Iron & Metal Company, both of which were acquired by RRHA and are in the process of redevelopment. Most structures on those properties have been demolished, and environmental remediation is underway on the former Virginia Scrap Iron & Metal Company property.



Honeytree Learning Center with Carilion Hospital Parking Deck in background



Ambulatory Surgery Center (private redevelopment).



Cambria Suites Hotel (under construction; near corner of Reserve Avenue & Franklin Road)

**SAMPLE PHOTOGRAPHS SHOWING SOUTH JEFFERSON REDEVELOPMENT
AREA BEFORE REDEVELOPMENT ACTIVITIES**



Former Pitzer Transfer & Storage facility – Reserve Avenue looking west toward Franklin Road. (Cambria Suites Hotel now located on this site.)



Former Pitzer Transfer & Storage facility – Rear of facility looking east toward Jefferson Street. (Cambria Suites Hotel now located on this site.)



Former Pitzer Transfer & Storage facility – Rear of facility looking west toward Franklin Road. (Cambria Suites Hotel now located on this site.)



Former Roanoke Concrete Supply facility. (Riverside Center parking facility now located on this site)



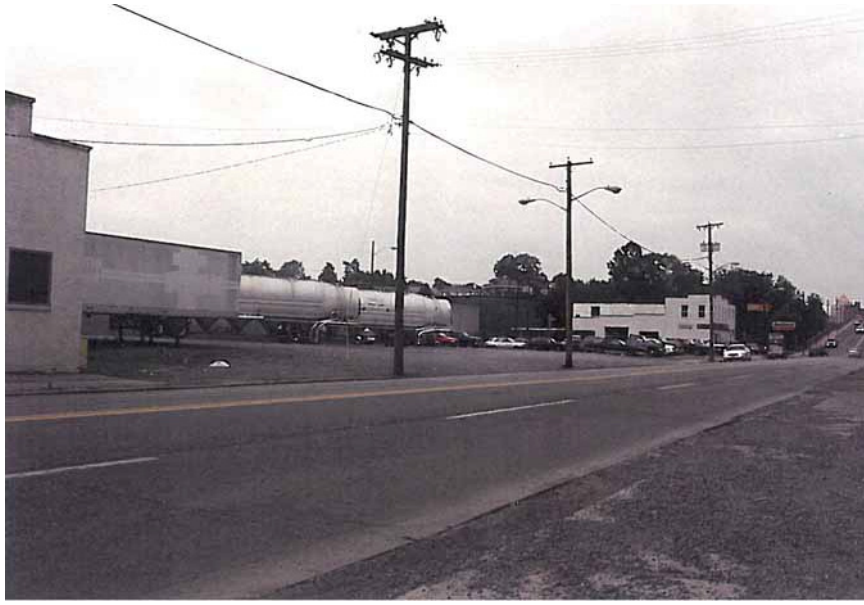
Former Roanoke City Mills property (background). Structures have been demolished and property is to be redeveloped.



Entrance to former Virginia Scrap Iron & Metal Co. facility (east side of Jefferson Street). Property is currently undergoing environmental remediation and is to be redeveloped.



Former Carilion Health Systems property (Riverside Center complex buildings now located on site)



Jefferson Street looking north, photograph taken from former Roanoke City Mills property. (Riverside Center complex buildings now on site.)