

October 2015

# Exit 150 Market Study and Conceptual Master Plan Botetourt County, Virginia



Prepared by:



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Botetourt County, Virginia

October 2015

**Prepared For:**

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# 1 EXECUTIVE SUMMARY

## A. EXIT 150 CURRENT LAND USE CONDITIONS

### 1. Developed Properties

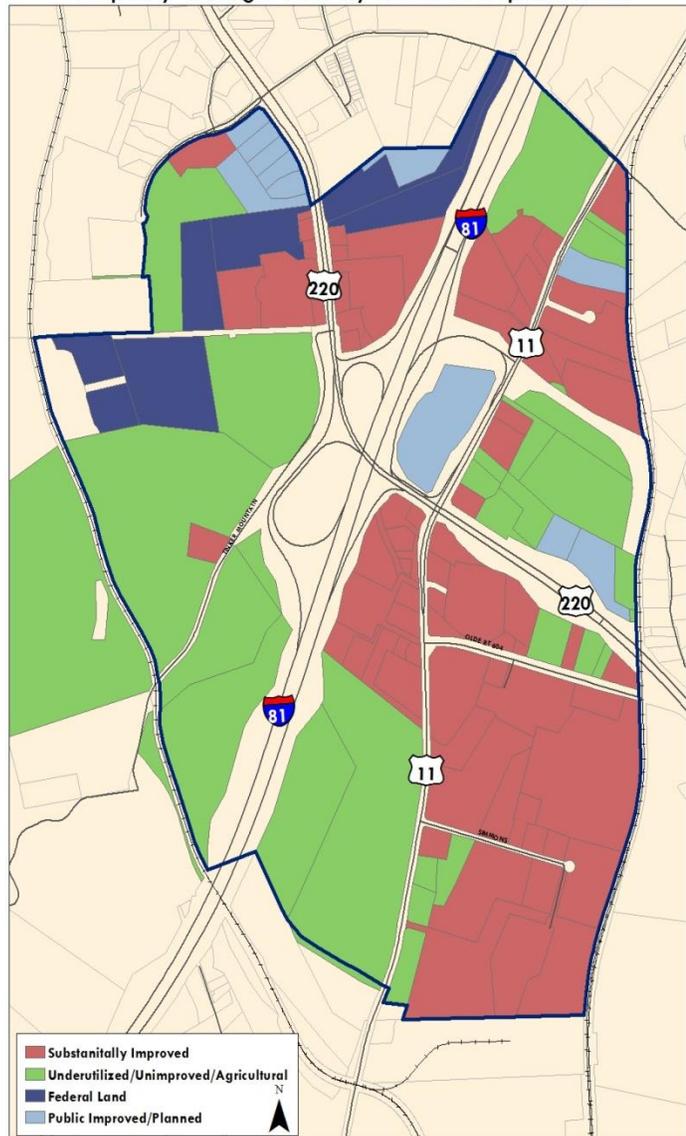
For the purposes of this analysis, developed properties are defined as having substantial improvements with ongoing operations, such as the entire industrial area in the southeast corner of the Exit 150 study area, as well other parcels where viable businesses are located. Properties with viable, active businesses are the least likely candidates for redevelopment. However, parcels that contain vacant buildings and/or are being actively marketed for sale are the most likely candidates for redevelopment. And while private property owners cannot be compelled by the public sector to sell or redevelop their properties, shifting market forces could incentivize the repositioning or redevelopment of commercial properties to higher and better uses as the area improves (Figure 1-1).

There are 72 properties in the Exit 150 study area that have been identified as having substantial improvements, comprising approximately 268 acres with a total assessed land value of approximately \$33.6 million. Of this total, 13 properties were identified as having moderate redevelopment potential, comprising just less than 50 acres.

The demand for transportation, auto, and highway oriented uses will probably remain the key demand driver for land uses on the east side of I-81 into the foreseeable future. The existing lodging and restaurant

Figure 1-1

Property Categorized by Level of Improvement



offerings will continue to attract and capture travelers on I-81, who will also likely purchase fuel and sundries on their visit. It is evident that even with the demise of the Travel Centers of America operation at Exit 150, there is still considerable truck activity at this location. Although the interchange improvements may dissipate the current issues with overflow and illegal parking in the Exit 150 study area, it may not be the total solution to the current problems.

**2. Underutilized or Substantially Unimproved Properties**

Underutilized or substantially unimproved properties include large parcels of land zoned for agriculture and residential, as well as small to medium sized non-residential infill properties. Land in this category comprises a total of approximately 360 acres, 229 acres of which have agricultural zoning designations, and 57 acres of which have residential zoning designations. The inventory of undeveloped and underdeveloped land includes several large contiguous parcels that could potentially accommodate significant suburban development.

All of the properties in this category are considered to have development potential simply by virtue of their current undeveloped status. However, the development of these properties could and will present a number of challenges, particularly with regard to access and topography. The ability of these sites to attract investment will depend on a number of factors, including market conditions, the potential size and scope of development, the likelihood and nature of rezoning, the potential costs for roadway access improvements, and the potential costs for site work. In any event, the rezoning and predevelopment phases of agricultural and residential zoned properties could exceed a two to three-year timeframe.

**3. Building Uses**

An inventory of building uses completes the identification of property uses. Building uses do not necessarily correspond to property types, however. Hotels account for the largest building use at approximately 360,000 square feet followed by retail at 130,719 square feet. Combined distribution, light industrial, warehouse, workshop and office building uses equal approximately 270,000 square feet. Total assessed value for improvements equals approximately \$39 million.

Table 1-1

**Exit 150 Area Developed Land Characteristics by Building Use  
 Botetourt County, Virginia**

Building Use	Uses	Square Feet	% Total Square Feet	Square Feet/ Use	Improvement Value	% Total Improvement Value
Accommodation	9	359,963	39.7%	39,996	\$18,696,300	47.9%
Automotive	22	73,798	8.1%	3,354	\$2,718,400	7.0%
Distribution	1	10,800	1.2%	10,800	\$648,000	1.7%
Light Industrial	9	70,558	7.8%	7,840	\$1,992,000	5.1%
Warehouse	7	54,040	6.0%	7,720	\$1,542,300	4.0%
Workshop	8	59,449	6.6%	7,431	\$1,400,270	3.6%
Office	19	75,423	8.3%	3,970	\$3,928,267	10.1%
Retail	13	130,719	14.4%	10,055	\$3,169,700	8.1%
Service	4	15,059	1.7%	3,765	\$987,900	2.5%
Restaurant	10	39,704	4.4%	3,970	\$3,120,700	8.0%
Residential	7	16,206	1.8%	2,315	\$823,433	2.1%
<b>TOTAL</b>	<b>109</b>	<b>905,719</b>	<b>100.0%</b>	<b>N/A</b>	<b>\$39,027,270</b>	<b>100.0%</b>

Source: Botetourt County Tax Assessor; RKG Associates 2015

The overall conditions of the buildings in the Exit 150 area are good with a few exceptions, some of which are located on properties for sale. The properties that were identified as being for sale generally consisted of parcels of less than an acre with buildings that could be re-tenanted, repurposed, or razed and redeveloped.

## **B. SOCIOECONOMIC ANALYSIS**

### **1. Population & Households**

Growth in Botetourt County and the Region has been slow, with the Region adding approximately 25,000 in total population from 2000 to 2014. Botetourt County's population increased by an estimated 2,881 in the same period, from 30,362 in 2000 to 33,253 in 2014. In 2014, the combined Roanoke County, Roanoke City and Salem City population was estimated at 217,701, up 5.9% from 2000, and is, by far, the largest population concentration in the region.

### **2. Age Characteristics**

In the county, the population of young, working age people age 25 to 44 actually decreased by 1,900 during the period from 2000 to 2014, which reflects a trend in many rural areas of outmigration to urban employment nodes. This has been largely offset by the addition of nearly 2,400 people age 45 to 64, and nearly 2,000 people age 65 years and over.

### **3. Household Income**

Median household income data indicates a level of relative prosperity for Botetourt County with regard to household incomes, as it is highest among the jurisdictions in the region at \$61,677 for 2014. The average for the region, less Botetourt, was \$53,816 in 2014.

### **4. Employment & Workforce**

The workforce in Botetourt County was only slightly larger in 2014 than 2008. However, Botetourt County has experienced net increases in employment from 2004 to 2014; boosted by increases in manufacturing, wholesale trade, transportation and warehousing, information, administration, health care, and hospitality.

### **5. Conclusion**

The real estate market has responded to population and household growth in Botetourt County with new residential development and retail opportunities, particularly in Daleville. However, the relatively high cost of housing in the County may contribute to the outmigration trend among the 25 to 44 age cohort. While the Exit 150 area could also potentially benefit if growth continues apace, its future development will also be heavily dependent on serving travelers and visitors to the area.

## **C. RETAIL MARKET ANALYSIS**

### **1. Competitive Supply**

The greater Roanoke metro area retail marketplace is dominated by the 864,000-square-foot Valley View Mall and surrounding stores such as a Walmart Supercenter, Dick's Sporting Goods, Haverty's Furniture, and several national chain restaurants. The Valley View Mall derives enormous benefit from its easy access off of I-81, which enhances its status as the true super-regional shopping center of the Roanoke Valley. Also in Roanoke is the Tanglewood Mall, comprising 794,000 square feet. The regional marketplace also contains a number of large format stores such as seven Walmart stores (general merchandise), four Home Depot stores (building materials, lawn & garden supplies) and four Lowes stores (building materials, lawn & garden supplies, appliances). A Gander Mountain sporting goods store is located at Exit 146, along with a Tractor Supply (lawn & garden supplies).

## **2. Retail Market Potential**

Analysis of the areas within 10-, 20-, and 30-mile radii of the Valley View Mall show that there is a net inflow of consumer spending into the greater Roanoke metro area retail market for most retail categories with the exception of health and personal care stores (which includes pharmacies and drug stores), office supplies, used merchandise and auto dealers.

By isolating and analyzing a broad trade area to the north of Exit 150, an estimate can be made of retail potential that could be intercepted and otherwise captured by new retail opportunities strategically placed at Exit 150. When the retail market potential analysis is applied to this geography, it clearly shows the net outflow of dollars, most likely into Roanoke. Retail opportunity gaps are evident for all categories except for grocery, within a catchment area that contains an estimated 31,000 households.

## **3. Strategic Location**

The Exit 150 study area is located in a market that is served by a regional retail cluster in Roanoke that is easily accessible from Interstate 81. This retail cluster attracts a net inflow of dollars from within a 20-mile radius, and is enhanced by smaller retail clusters in Blacksburg and Lynchburg within a 30-mile radius. Therefore, Exit 150's ability to support additional retail development will largely depend on its ability to capture the demand from points north and adjacent areas, as well as the high volume of transient and commuter traffic that flows through the interchange from various directions.

## **4. Specialty Retail**

The access and visibility that the Exit 150 study area possesses could potentially make it a viable location for a specialty retail, or "outlet" center. Outlet centers often specialize in in specific categories of merchandise, such as apparel (e.g., Leesburg Premium Outlets, Williamsburg Outlet Mall) or household goods (e.g., Williamsburg Pottery). Specialty centers typically seek out areas with high visitation such as Williamsburg, Virginia or interchanges on highly travelled interstates such as I-81. Interstate 81 has high traffic counts of 39,000 vehicles per day north of the exit 150 Interchange and 51,000 vehicles per day south of the interchange, as well as large volumes of commuter traffic on U.S. 220 of 34,000 northwest of the interchange and 27,000 vehicles southeast of the interchange.

## **5. Demand Generation from Hotel Guests**

The hotel properties at Exit 150 capture travelers and visitors to the area for overnight stays, providing opportunities for retail, food & beverage, and automotive spending. The hotel cluster at Exit 150 presently comprises five economy-midscale lodging properties with a total of 442 guest rooms and two upper midscale lodging properties with a total of 160 guest rooms. Based on the findings of the Hotel Analysis in Chapter 6 of this report, we can reasonably estimate that the Exit 150 hotel cluster supports 110,450 room nights per year. This equates to a minimum of 110,450 overnight visitors or more likely something closer to 150,000 overnight visitors when accounting for double occupancy. These overnight visitors are a captive population that will likely spend dollars to eat, drink, buy fuel and sundries, and shop for merchandise locally if convenient, particularly within an attractive, pedestrian friendly environment.

## **D. HOTEL MARKET ANALYSIS**

### **1. Methodology**

The hotel analysis examines a very specific trade area which comprises the four interchanges from Exit 150 to the north, down to Exit 141 in Salem, within a ten-mile corridor. The lodging product along the

interstate is targeted to a customer base with a discreet profile that is different than downtown Roanoke or the airport hotels. Hotels in the selected trade area generally fall into two categories: *economy/midscale*, which represents the lower 40% average room rates and offers few amenities; and, *upper midscale*, which represents the middle 30% average room rates and offers amenities such as a pool, exercise room, small business center, and complimentary breakfast.

## **2. Competitive Supply**

There are six upper midscale hotels comprising 487 guest rooms in the selected study area, as well as twelve hotels in the economy/midscale category offering 1,165 hotel rooms. This inventory caters primarily to the leisure/tourism and transient demand segments in the Roanoke Valley lodging cluster. Hotels in and around downtown Roanoke cater primarily to the business/corporate traveler market segment, and compete for some leisure/tourism demand on a smaller scale.

## **3. Hotel Occupancy**

Hotel occupancy is the percentage of rooms that were sold during a specified period of time, and is a key indicator of market characteristics within a specific geography. Annual occupancy rates markedly improved for the *upper midscale* stock, steadily rising from 58.4% in 2010 to 67.3% in 2014. The *economy/midscale* market has not performed nearly as well as the *upper midscale*, rising from 42.5% annual occupancy in 2010 to a paltry 44.1% in 2014.

Monthly occupancy data for the hotels in the market sample show a relatively non-seasonal marketplace with no discernable peaks or valleys. Daily occupancies vary between hotel classes, and confirm that the *upper midscale* class is the preferred choice for the business/corporate travelers segment.

## **4. Performance Metrics**

Revenue per available room, or RevPAR, is one of the most important measurements in the hotel industry for measuring hotel efficiency. In 2010, RevPAR for the upper midscale class was \$52.99, which steadily increased on an annual basis to \$65.72 in 2014, which shows a market gaining in strength. In the economy/midscale class, RevPAR was \$23.92 in 2010, peaked at \$24.33 in 2013, and settled back to \$23.82 in 2014.

## **5. Market Support for New Hotel Rooms**

An annual occupancy rate of 62% is healthy by industry standards, and a sustained occupancy that exceeds 65% generally attracts investor interest and triggers the planning process for expansion of supply. Clearly, the upper midscale class is the study area's dominant market segment, with a five-year sustained growth in RevPAR and occupancy exceeding 62% and on the rise since 2011. Each of the four hotel clusters between Exit 150 and Exit 141 has shown the ability to attract and sustain lodging. While the Exit 150 area certainly qualifies as a viable candidate for a new lodging property from a market perspective, evidence of support in the local market is only one element in the investment decision process.

## **E. MULTI-FAMILY RESIDENTIAL ANALYSIS**

### **1. Methodology**

Developers and real estate professionals interviewed for this analysis generally agreed that the most suitable type of residential development for the Exit 150 area would be multi-family, which could either be condominiums, or more likely, apartments. The multi-family analysis examines residential

development trends over the past ten years with an emphasis on apartments, identifies emerging product, and discusses the implications for future apartment development in the Exit 150 study area.

## **2. Competitive Supply**

The Roanoke Metro Submarket contained an estimated 112,862 units in 2013, 14,588 or 13% of which were located in Botetourt County. The submarket contains an estimated 17,754 multi-family units (5 or more units per structure) which is nearly 16% of the total residential units. Botetourt County had 336 multi-family units in 2013, which comprised just over 2% of the Metro's inventory. Roanoke City has the highest proportion in the submarket at 55%, which is characteristic of a central city where housing is built to urban densities. It is followed by Roanoke County at 31%, Salem City at 11% and Botetourt County at 2%

## **3. Vacancy Rate**

Vacancy rates are the amount of available space expressed as a percentage of total inventories, and are reliable indicators of the balance between supply and demand. A vacancy rate of 5% is desirable to trigger new inventory additions. Whereas the Roanoke Metro market had lower vacancies than the South Atlantic Region and U.S. during the last five years, its vacancy rate was 7.3% in the first quarter of 2015, compared to 5.0% in the South Atlantic and 4.2% in the U.S. The Roanoke Metro vacancy rate for product delivered after 2009 is 28.5%, indicating a degree of market saturation.

## **4. New Deliveries**

In the past ten years, the Roanoke Metro apartment market has seen an average of about 47 permits per year, with the largest number in 2013 at 205. There were no multi-family permits issued in 2012, 2009, or 2007. Indeed, the total number of units permitted from 2005 to 2012 is 188, compared to 277 in 2013 and 2014. Apartments at the Daleville Town Center added 120 units to the Botetourt County's multi-family inventory, a 55% increase.

## **5. Pipeline Development**

Apartment units currently under development in the Roanoke Metro total 312 in three separate projects. This number exceeds the total number of residential units added to the inventory (251) from 2010 through 2013. One of the three apartment projects under development, *The Retreat*, is located very near Exit 141, is planned for 180 units, and is currently under construction.

## **6. Market Support for New Residential**

Apartment development in the Roanoke Metro has undergone resurgence since 2013, with an additional 312 units currently in various stages of development. Delivery of these units could put apartment development into a lull while demand catches up to supply, as evidenced by the current 28.5% vacancy in units built after 2009. Since Botetourt County has recently demonstrated its ability to support a successful apartment product in today's marketplace, apartments in the Exit 150 area should certainly be considered a viable future land use. Given the close proximity of the *Retreat* off of Exit 141 and similarities in terms of interstate access, it will warrant close attention in terms of its absorption, which could inform the feasibility of comparable development at Exit 150 in the future.

## **F. MARKET SUPPORTABLE DEVELOPMENT OPPORTUNITIES**

### **1. Retail**

The Exit 150 area has the potential to support new retail opportunities, both free standing and in a shopping center configuration, as appropriate. The area is positioned to capitalize on two key sources of demand: local and regional households to the north, demand from which can be captured via the convenience factor associated with a shorter drive time and access from I-81; and, transient travelers and visitors also attracted by the convenient access and visibility of the Exit 150 area from I-81. A specialty retail center, such as an outlet mall, could capitalize on the locational advantages of the Exit 150 area and provide a catalyst for additional induced development.

### **2. Hotel**

Current market conditions in the Exit 150/Exit 141 hotel corridor are favorable for attracting investor interest and potential expansion of supply. The occupancy for upper/midscale hotels is approximately 67% for 2014, within the industry standard for supply expansion planning. Under current market conditions, a single 80-room upper-midscale lodging property may be feasible, and fits the local model for that market segment. Nonetheless, prospective hotel owner/operators will consider a host of factors when contemplating the investment in a new lodging property, such as availability and desirability of land, asking price of land, access and visibility, predominant demand segment and demand drivers, available amenities such as restaurants and convenience retail, and other considerations. Exit 150's ability to successfully attract new lodging will depend upon the convergence of these factors under favorable market conditions.

### **3. Residential**

Botetourt County should support the development of market rate and workforce housing as a means to stem the outmigration of its young, age 25 to 44 workforce. Although the local apartment market is showing some signs of overbuilding, Daleville Town Center has demonstrated the viability of higher end apartments in Botetourt County within a mixed-use environment with desirable amenities. Although market conditions warrant close scrutiny over the next two to three years, market rate apartments in an attractive, mixed use environment may be the winning formula for future development in the Exit 150 area.

### **4. Summary**

Table 1-1 summarizes market potential for development and/or redevelopment in the Exit 150 study area. The total supportable building square feet is based on the assumption that suitable sites can be provided in the future to accommodate these uses. Given the added cost and complexities associated with redevelopment, these development opportunities could be much less if there is no concerted strategy for assembling redevelopment parcels and providing assistance to developers and property owners interested in redeveloping their sites.

**Table 1-1**  
**Exit 150 Market Study and Conceptual Master Plan**  
**Market Supportable Development Opportunities**

<b>RETAIL MARKET POTENTIAL</b>		
<b>Use</b>	<b>Quantity</b>	<b>Requisite Conditions</b>
Auto parts	22,000 to 28,000 SF 1 to 2 stores	Convenience
Florists, used merchandise and miscellaneous	9,000 to 16,000 SF 4-8 stores	In shopping center environment
Full- and limited-service restaurants	20,000 to 30,000 SF 4-8 establishments	Suitable visibility, access and environment. National chains
Electronics and appliances	5,000 to 12,000 SF 1 store	Convenience, access and visibility
Sporting goods	22,000 to 33,000 SF 1 store	Suitable visibility and access
Office supplies	4,800 to 7,000 SF 1 store	Convenience
Building materials, lawn and garden supplies	12,000 to 17,500 SF 1 store	Convenience
Groceries	Upgrade offerings but no new stores	Perceived weakness in the marketplace
Pharmacies & drugs	15,000 to 25,000 SF 1 store	Convenience, access and visibility
General merchandise	500 to 700 SF; 1 store	Convenience
Clothing and clothing accessories	5,000 to 9,000 SF 1-2 store	Convenience, access and visibility
<i>Specialty retail (fashion center/outlet mall)</i>	100,000 to 150,000 SF Multiple Stores	Suitable visibility and access Must be unique retail destination in the marketplace
<i>Subtotal SF - Retail</i>	215,000 to 328,000 SF	Assumes suitable sites can be made available
<b>HOTEL MARKET POTENTIAL</b>		
Upper midscale hotel	80 to 150 rooms; 1-2 new or repositioned	Suitable visibility, access and environment; transient stopping point
<b>MULTI-FAMILY RESIDENTIAL MARKET POTENTIAL</b>		
Apartments and townhouses	25 to 50 average annual units	Access and environment, Lack of local housing choices

Source: ESRI Business Solutions; RKG Associates

**G. CONCEPTUAL LAND USE PLAN**

The goal of the conceptual land use plan is to provide stakeholders and Botetourt County a vision for infill and redevelopment of properties within the study area. The planning strategies can guide development while reinforcing and expanding upon the unifying features of the Interchange project. Botetourt County is providing planning direction by bringing stakeholders together to facilitate the conceptual land use planning effort and providing opportunities and incentives to move the process forward.



activity occurs, sidewalk connections should be encouraged to provide further mobility opportunities for non-vehicular traffic. A before and after photo simulation of the US Route 220 corridor is provided below for illustration purposes.

Figure 1-1



Conceptual Plan Area - North

b.) Conceptual Plan Area - West

Based on the consultants' assessment of the conditions in the Conceptual Plan Area West and input received from stakeholders, including key property owners, significant development opportunities exist in this area, but cannot be unlocked without site access. A cooperative agreement(s) is necessary by all parties to open much of Plan Area West. Those parties include: (1) key property owners, (2) VDOT, (3) Botetourt County and (4) ATC and National Park Service. Major land holdings owned by Fralin & Waldron and Talbot do not have access off US Route 220 and cannot be developed currently. If site access can be achieved, the potential exists for a large mixed-use commercial development with retail, a hotel, multi-family apartments and townhomes. This development scenario complements the development concept illustrated for Conceptual Plan Area - North (Figure 1-2).

Plan Area - West calls for the relocation of the SB off-ramp for I-81 to create a new alignment with Tinker Mountain Road and a signalized intersection on US Route 220 at that location. The conversion of the old Tinker Mountain Road to a multi-use trail system with connections to a County trail system and the AT is also possible. As in Plan Area North, improvements within the development and along US Route 220 will create a complete

pedestrian linkage that connects recreational trail users, hotel guests and new residential communities with nearby restaurants, shopping and other businesses.

This development concept requires the ATC/National Park Service to relinquish a sliver of land currently used as an access point to the AT trail in order to provide direct access to the Fralin & Waldron site. In return, an equivalent amount of land must be deeded by the private property owners to compensation the National Park Service for the loss of land. In addition, VDOT's agreement to relocate the south bound exit ramp and create the signalized intersection are critical to the success of this plan, but require further study so as not to create other traffic problems. Funding is also required to make these improvements, which are not part of the current Exit 150 improvements.

Figure 1-2



Conceptual Plan Area - West

The potential to realign the existing I-81 south bound off-ramp at Exit 150 with Tinker Mountain Road was evaluated based on discussions with County and VDOT staff. This concept has the potential to eliminate the intersection offset which currently exists between the off-ramp and Tinker Mountain Road, while potentially opening up the land along Tinker Mountain Road for development as shown in Figure 1-2.

A Synchro traffic simulation model was prepared to evaluate projected 2036 AM and PM peak hour volumes to provide a long-term horizon analysis at the realigned intersection and to identify necessary improvements to allow for acceptable levels of service (LOS). Traffic data was derived from the VDOT Exit 150 Interchange Modification Report (which forecasts year 2036 traffic volumes projections along US 220 North/West of I-81 to be 45,000 vehicles per day). In addition to VDOT's published I-81 SB ramp and Tinker Mtn. Road volumes, the consultants used Institute of Transportation Engineers (ITE) Trip Generation (9th Edition) estimates for the Conceptual Land Use Plans – North and West. Assuming as much as 120,000 SF of new commercial space and up to 612 residential units, the daily volumes above were converted to AM and PM peak hour turning movements using published VDOT-directional and peak hour factors, ITE Trip Generation hourly and directional data, and engineering judgment.

A complete traffic study would be required to fully evaluate the above scenarios and to further refine the traffic projections and operations with respect to adjacent interchange ramps to the south. The above improvements could create opportunities to improve safety and operations on this side of the interchange, which is not part of the VDOT Exit 150 reconstruction project. In addition, these improvements may offer the ability to incorporate sidewalk and trail connections through/under the I-81 bridges.

c.) Conceptual Plan Area - East

Based on the team's evaluation of the conditions in the Conceptual Plan Area East and input received from County staff, VDOT transportation officials and property owners, opportunities exist to build-out and improve the large undeveloped areas as well as infill parcels within this plan area. Conceptual Plan Area – East illustrates the conceptual development strategies for this area (Figure 1-3).

The creation of a new gateway and front door experience for Botetourt County would require additional landscaping, signage/wayfinding and lighting. These gateway recommendations offer simple, first-step approaches to enhance and define the gateway experience, and build upon the landscape improvements as part of the interchange project. Integral to the gateway creation is the utilization of the old TA truck stop property. Currently this large land area is slated for limited landscaping and stormwater management only, with no access to the site or future development. However, the consultants believe the potential exist to allow limited access to this parcel with the development of a Park & Ride facility via the US Route 11 slip lane. In doing so the parcel could be utilized for passive recreation in conjunction with a new park & ride, landscaping and stormwater management. By creating a park & ride facility to meet current needs, the opportunity exists to create a County-maintained park with passive recreation elements that would enhance the gateway experience for travels and residents of Botetourt County. With the development of a County park within the parcel a pedestrian system would be created internal to the parcel with the option of a pedestrian bridge over Route 11 to further expand the accessibility of the park program. Further discussion of this Park & Ride concept is provided below.

Creative strategies will be required to increase the number of Park & Ride spaces to meet growing demands in the study area. Past studies and concepts by VDOT have only included areas along the US Route 220 corridor immediately west of Exit 150; however, the County has expressed an interest in evaluating possible Park & Ride sites to the east of the interchange. The abandoned truck stop property could potential fill that need, given its proximity to the interchange and capacity to park a significant number of spaces. The Concept Plan Area – East plan shows a layout for approximately 200 spaces on the lower portion of the site, with a right-in only access from the I-81 SB slip ramp to US Route 220 North and right-in/right-out access on US Route 220 near the I-81 bridge.

Figure 1-3



Conceptual Plan Area - East

Construction of a Park & Ride facility on this parcel would require careful evaluation with regards to access, and it would likely require a substantial traffic analysis to support an Access Management Exception Request for VDOT review and approval. The request would also require ultimate approval by the Commonwealth Board of Transportation given its location within limited access right-of-way. The construction of a VDOT Park & Ride facility within limited access is not unprecedented as evidenced by VDOT's 580 space lot located within the I-95 off-ramp loop at Exit 160 in Prince William County.

Managing access along the new Gateway Crossing Drive facility will be a top transportation priority for the study area. The proper spacing of entrances will allow the corridor to function acceptably for through-trips between I-81 and US Route 220, while providing safe/convenient access to future development.

d.) Conceptual Plan Area - South

Based on the team's evaluation of the conditions in the Conceptual Plan Area - South and input received from key stakeholders and property owners, opportunities exist that complement strategies depicted in Conceptual Plan Area – East, including opportunities to build-out the area through infill and redevelopment activities. This pedestrian network should be extended along US Route 11 south and connect to potential improvements along Old Route 604 (Figure 1-4). A complete pedestrian linkage could serve as a vital link connecting commercial businesses and restaurants and other area amenities. Similar to other plan areas, as future development and redevelopment activity occurs, sidewalk connections should be completed to improve mobility opportunities for pedestrians and non-vehicular traffic. Likewise, the Route 11 corridor in this area lacks a defined streetscape in some areas and it is perceived as an

unsafe by pedestrian. A photo simulation of the Route 11 streetscape shows that lack of pedestrian amenities and access and what could be done to soften the area.

Figure 1-4



Conceptual Plan Area - South

- **US Route 11 and Old Route 604 Road and Intersections Modification** – Depending on the development/redevelopment activity at this location, additional intersection improvements up to and including traffic signalization may be needed to provide adequate access for turning movements to/from Old Route 604. The addition of a potential connection through to the US Route 220/Gateway Crossing intersection could significantly alter traffic patterns and side street traffic demand on Old Route 604.
- **US Route 220/Gateway Crossing Drive** – VDOT’s interchange project will result in a new signalized T-intersection where the proposed Gateway Crossing Drive connects with US Route 220. As part of this market study, the concept of adding a fourth leg to the south side of the intersection to create a through connection to Old Route 604 was identified as a potential transportation network improvement offering the following benefits:
  - Providing more convenient vehicular and non-vehicular (bicycle/pedestrian) connections between development south of US Route 220 and along Gateway Crossing Drive
  - Relieving demand for local north-south traffic on US Route 11
  - Filling out an portion of an overall grid network of streets east of Exit 150 to provide sustainability to the interchange improvements

#### **H. EXIT 150 IMPLEMENTATION PLAN MATRIX**

The following Exit 150 Conceptual Master Plan Implementation Matrix contains a series of strategic objectives and the actions necessary to implement a comprehensive revitalization strategy. The implementation matrix identifies the agencies or organizations responsible for implementation of the above action items, the relative timing of each action, and a rough estimate of cost. The cost estimates are “order of magnitude” estimates for planning purposes only.

BOTETOURT COUNTY EXIT 150 MARKET STUDY AND CONCEPTUAL PLAN Implementation Matrix			Implementation Lead		Implementation Timing (Years)							Estimated Cost
			Public/NP	Private	1	2	3	4	5	6 to 10	10+	
<b>IMPLEMENTATION ORGANIZATION</b>												
<b>GOAL: To create the organizational capacity to implement the Exit 150 redevelopment strategy</b>												
<b>Recommendation #1:</b>	<b>Create a County Economic Development Authority dedicated to the implementation of the Exit 150 redevelopment and other economic development initiatives</b>											
Action 1:	Create Botetourt County Economic Development Authority as public/private partnership to lead Exit 150 implementation effort	CA,BOS	PO,BO									C
Action 2:	Board of Supervisor appoints members of the EDA Board of Directors to adopt bylaws, set EDA mission	BOS										A
<b>Recommendation #2:</b>	<b>Use the powers and authorities granted to facility (re)development in the Exit 150 study area</b>											
Action 1:	Examine opportunities to assemble key properties to facilitate important redevelopment opportunities in cooperation with developers and property owners who propose plans consistent with the county's vision for Exit 150	EDA	PO,D,C									A
Action 2:	Consider the creation of a special financing district to help fund infrastructure improvements and other redevelopment activities	EDA,CA,BOS	PO									A
Action 3:	Hire an experienced Executive Director and small support staff to coordinate the County's efforts to improve the Exit 150 area and work in partnership with property owners, business owners, real estate developers, the Board of Supervisors and residents	EDA,CA										C
<b>Recommendation #3:</b>	<b>Seek annual funding commitments to operate EDA</b>											
Action 1:	Seek partnership support from Exit 150 businesses and property owners for 1/3 of EDA annual budget	EDA	PO,BO									A
Action 2:	Create a Exit 150 Special Taxing District to partially fund the EDA and to provide business recruitment, marketing and land development services to the study area	EDA,CA	C									A
<b>SITE ACCESS, CIRCULATION AND PARKING</b>												
<b>GOAL: To improve access to key development parcels in the Exit 150 study area to increase the tax base, create jobs and expand housing options</b>												
<b>Recommendation #1:</b>	<b>Work in partnership with all key stakeholders to unlock development potential of vacant land located off Tinker Mountain Road</b>											
Action 1:	Meet with VDOT to examine the potential to relocate the SB exit ramp at Exit 150 to a new alignment with Tinker Mountain Road and create a new signalized intersection at that location	CA,EDA,VDOT	C									A
Action 2:	Work closely with key property owners to discuss future development options for undeveloped land off Tinker Mountain Road	EDA	PO									A
Action 3:	Study the feasibility and costs associated with the relocation of the SB exit ramp and the new traffic signal	CA,EDA,VDOT	C									C
Action 4:	Work closely with ATC/National Park Service to negotiate a land swap of a sliver of land for access to private property off Tinker Mountain Road	EDA,ATC	PO									B
Action 5:	Work with development community and VDOT to prepare traffic impact analyses for future developments along Tinker Mountain Road. Because of proximity to the interchange and need to realign I-81 SB off-ramp, an interchange modification report (IMR) will be required	EDA,VDOT	PO,D,C									C
Action 6:	Identify funding options to construct the potential necessary improvements, including the acquisition of right-of-way from multiple parcels	EDA,CA,VDOT										A
Action 7:	Pursue opportunity to realign Tinker Mountain Road and convert the remnant of existing Tinker Mountain Road into a shared-use path	EDA,VDOT	PO,D,C									F
Action 8:	Pursue partnership opportunity with developers and VDOT to relocate/expand the existing Tinker Mountain Road Park & Ride lot within a new development along Tinker Mountain Road; or create a shared-parking agreement with developer	EDA,VDOT	PO,D									F
<b>Recommendation #2:</b>	<b>Work in partnership with VDOT and key property owners to provide suitable site access to undeveloped land behind the Pilot gas station off US Route 11</b>											
Action 1:	Work with property owners to discuss future development of this site and the best way to access the interior of the site and frontage lots on US Route 11	EDA	PO,BO,D									A
<b>Recommendation #3:</b>	<b>Prepare Gateway Crossing Access Plan</b>											
Action 1:	Work with development community and VDOT to prepare traffic impact analyses for future developments with planned access to Gateway Crossing Drive. County should strive to uphold minimum entrance spacing along Gateway Crossing Drive consistent with VDOT Access Management standards	EDA,VDOT	C									B
<b>Recommendation #4:</b>	<b>Examine opportunity to connect new VDOT road connection at Alt 220/Cloverdale Road to Old Route 604</b>											
Action 1:	Prepare a roadway connectivity and circulation study to evaluate the feasibility and potential benefits of creating a southern roadway connection to intersection (creating 4-leg intersection) in conjunction with future development	EDA,VDOT	C									B
Action 2:	Work with VDOT and development community to construct the fourth leg and connection to Old Route 604	EDA,VDOT										E
Action 3:	Work with property owners and developers on future redevelopment plans for the area between Alt US Route 220 and Old Route 604	EDA	PO,BO									A
<b>GOAL: To limit the future impact of truck parking and traffic in the Exit 150 study area</b>												
<b>Recommendation #1</b>	<b>Mitigate the challenge associated with truck parking and traffic demand</b>											
Action 1:	Collaborate with VDOT to evaluate options to construct a large truck-oriented rest area (or parking field) along northbound I-81, either in Botetourt County or further to the north	EDA,VDOT										F
Action 2:	Encourage expansion of truck parking at VDOT's other northbound and SB rest areas in the I-81 corridor	EDA,VDOT	PO,D									A
Action 3:	Consider options for permitting and construction of a replacement truck stop elsewhere in the County	PC	PO,D									B
<b>GOAL: To seek the creation of new Park &amp; Ride facilities on both sides of Interstate 81 Exit 150</b>												
<b>Recommendation #1:</b>	<b>Work closely with VDOT to create limited access at former truck stop to accommodate a 200-space Park &amp; Ride facility</b>											
Action 1:	Coordinate with VDOT to prepare a feasibility study for a Park & Ride facility (100-200 spaces) on the former TA truck stop parcel.	EDA,CA,VDOT	C									A
Action 2:	Evaluate operational impacts of a right-in/right-out access to the former truck stop from US Route 220 and potential right-in access from the Exit 150B slip ramp	VDPT	C									B
Action 3:	Pursue VDOT access management exception request(s) to support the use of the former truck stop for a Park & Ride and a passive park	EDA,VDOT										A
Action 4:	Consider acquisition of VDOT Park & Ride property on US Route 220 North for future commercial development and a shared Park & Ride facility	EDA,CA,BOS										F

**Implementation Lead - Legend**

Public	CA - County Administrator	BOS - Board of Supervisors	EDC - Economic Development Corp.
	PC - Planning Commission	VDOT - VA Dept. of Transportation	ATC - Appalachian Trail Commission
Private	BO - Business Owners	D - Developer	PO - Property Owners

**Cost Range**

A - \$0-\$25,000	D - \$250,000 - \$500,000
B - \$25,001 - \$100,000	E - \$500,001 - \$1 million
C - \$100,001 - \$250,000	F - \$1 million +

Task Initiated	Task
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BOTETOURT COUNTY EXIT 150 MARKET STUDY AND CONCEPTUAL PLAN Implementation Matrix		Implementation Lead		Implementation Timing (Years)							Estimated	
		Public/NP	Private	1	2	3	4	5	6 to 10	10+	Cost	
<b>LAND USE PLANNING, ZONING AND SITE DEVELOPMENT</b>												
<b>GOAL: To adopt and implement planning and zoning measures to create opportunities for future (re)development to occur</b>												
<b>Recommendation #1:</b>	<b>Rezone vacant land off Tinker Mountain Road to accommodate a mixed-use development consisting of commercial, apartments and townhome development at higher densities</b>											
Action 1:	Coordinate with key property owners and developers on future development options for this area	EDA	PO,BO									A
Action 2:	Draft a new mixed-use zoning classification that specifically addresses the need for a higher density development in areas designated as urban growth districts (UGD) and designate this area as a UGD	PC										A
Action 3:	Encourage development plans that incorporate new walking/biking trails and connect to, and capitalize on the Appalachian Trail	PC										A
Action 4:	Encourage the introduction of higher density housing options (e.g., apartments, townhomes, condominiums) as part of any development in this area	PC										A
<b>Recommendation #2:</b>	<b>Consider the benefits of rezoning the mixed business/agriculture/industrial zone between Cloverdale Road and Old Route 604 as B3 Business of SC Shopping Center</b>											
Action 1:	Coordinate with key property owners and developers on future development options for this area	EDA	PO,BO									A
Action 2:	Draft new commercial zoning for this area and seek adoption	PC										A
Action 3:	Encourage development plans that achieve a higher utilization of this area for commercial/retail/restaurant or destination retail	PC										A
Action 4:	Encourage the introduction of higher density housing options (e.g., apartments, townhomes, condominiums) as part of any development in this area	PC										A
<b>Recommendation #3:</b>	<b>Consider the creation of an Exit 150 overlay zone to allow more integrated mixed-use development in the study area</b>											
Action 1:	Permit shared access driveways to serve more than one property	PC	PO,BO									A
Action 2:	Allow shared access driveways to serve more than one property	PC	PO,BO									A
Action 3:	Allow integrated mixed-uses on proposed development greater than 2 acres	PC	PO,BO									A
Action 4:	Control height and placement of commercial signage in Exit 150 to present an image of quality development	PC	PO,BO									A
<b>PUBLIC INFRASTRUCTURE IMPROVEMENTS</b>												
<b>GOAL: To make necessary public infrastructure improvements in locations that will stimulate private investment and (re)development</b>												
<b>Recommendation #1:</b>	<b>Make streetscape improvements on US Route 11 south of Cloverdale Road to improve aesthetics and pedestrian amenities</b>											
Action 1:	Further develop the streetscape edge conditions with signage, wayfinding, lighting and landscaping strategies presented on the conceptual land use plan and conceptual sections to create a study-wide program to guide future development	EDA										F
<b>Recommendation #2:</b>	<b>Improve bicycle/pedestrian system</b>											
Action 1:	Develop master plan within study area for bicycle/pedestrian/AT connectivity and partnerships	EDA	C									B
Action 2:	Evaluate opportunities with VDOT (i.e. grant funding) to enhance safety of the existing AT crossing on US Route 220	EDA,VDOT										B
Action 3:	Leverage County's eco-tourism industry with recreational opportunities and connectivity with AT and Exit 150 area bicycle and pedestrian network	EDA,ATC										A
Action 4:	Further develop the streetscape edge conditions with signage, wayfinding, lighting and landscaping strategies presented on the conceptual land use plan and conceptual sections to create a study-wide program to guide future development.	EDA	C									C
<b>Recommendation #3:</b>	<b>Make streetscape improvements on the eastern segment of Alt. Route 220 from the new signalized intersection to Common Parkway at First Citizens Bank.</b>											
Action 1:	Create a more attractive pedestrian environment	EDA	PO,BO									F
Action 2:	Coordinate with property owners and developers to redevelop this area for higher & better uses	EDA	PO,BO									A
<b>PUBLIC FINANCING AND DEVELOPMENT INCENTIVES</b>												
<b>GOAL: To adopt mechanisms for financing public investments in the Exit 150 study area</b>												
<b>Recommendation #1:</b>	<b>Create a synthetic tax increment financing district to finance public infrastructure and related development costs in conjunction with key (re)development projects</b>											
Action 1:	Establish TIF district boundaries from which future tax revenues will be derived from new development above a base-line value	EDA	C									A
Action 2:	Prepare a Memorandum of Agreement between the Board of Supervisors and the EDA to dedicate TIF revenues to retire EDA infrastructure bonds	EDA,BOS,CA										A
Action 3:	Work in partnership with VDOT and key property owners to study and fund the relocation of the I-81 SB exit ramp and traffic signal at Tinker Mountain Road	EDA,CA,VDOT										C
<b>GOAL: To adopt a policy for providing development incentives to assist projects that are consistent with the County's Exit 150 development plan and vision</b>												
<b>Recommendation #1:</b>	<b>Establish criteria for the use of public funds in partnership with other public and private funding to achieve (re)development goals</b>											
Action 1:	Identify (re)development initiatives that require the use of public funds or the powers and authorities of the EDA to be successful	EDA,CA,BOS										A
Action 2:	Consider the use of declining tax abatements for property owners making significant private investments to redevelop their properties	BOS,CA										A

**Implementation Lead - Legend**

<b>Public</b>	CA - County Administrator PC - Planning Commission	BOS - Board of Supervisors VDOT - VA Dept. of Transportation	EDC - Economic Development Corp. ATC - Appalachian Trail Commission
<b>Private</b>	BO - Business Owners D - Developer		PO - Property Owners

**Cost Range**

A - \$0-\$25,000	D - \$250,000 - \$500,000
B - \$25,001 - \$100,000	E - \$500,001 - \$1 million
C - \$100,001 - \$250,000	F - \$1 million +

Task Initiated	Task
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## 2 INTRODUCTION

RKG Associates, Inc. (RKG), in association with LPDA, Inc. and Bowman Consulting, was engaged by Botetourt County to prepare a market study and conceptual master plan for a specified area around the Exit 150 interchange of Interstate 81 and U.S. Route 220. The interchange is undergoing a substantial investment by the Virginia Department of Transportation that will improve traffic flow and vehicle safety. This significant transportation improvement project has also created the opportunity for Botetourt County to develop a strategy to take advantage of improved access and visibility to the interstate highway. The objective of the market assessment is to inform the development of a proactive planning effort that will help shape and guide growth in the area as well as define new marketing and outreach efforts.

Project oversight and guidance was provided by the Exit 150 Steering, comprising twenty individuals representing Botetourt County's public and private sectors. The Steering Committee was kept apprised of the project's progress through two interactive workshops, where observations and findings were conveyed, implications were discussed, and feedback and input were provided. The culmination of the project will comprise final meetings with the Exit 150 Steering Committee, the Botetourt County Board of Supervisors, and the public at large, to present the recommendations of the Exit 150 Market Study and Master Plan.

In the course of the work program, RKG Team professionals reviewed relevant plans and documents, and conducted confidential interviews with key stakeholders within and outside of the Steering Committee, including county staff, elected officials, economic development and tourism professionals, local real estate professionals and developers, property owners, business owners, and others. Stakeholder input provided local context for analyzing factors that will impact future land uses in the Exit 150 study area. The work program also included an assessment of physical planning and transportation issues that will impact future development.

At the approximate midpoint of the work program, a public charrette was held to engage citizens in the planning process. The charrette was a listening and learning exercise, eliciting ideas, concerns and observations from the public at large. Alternative approaches were reviewed and improved during this exercise, and the charrette served as a demonstration of consensus support within the community. The visions, concerns, and views that were elicited through the charrette and other outreach activities were subsequently assimilated into the planning process and informed the recommendations of the conceptual master plan.

The real estate market analysis component was conducted with several objectives in mind: (1) develop an understanding of the study area's context relative to the real estate market dynamics at play in the greater Roanoke metro marketplace; (2) prioritize real estate sectors to be assessed based on appropriateness for the study area; (3) assess the ability of transient traffic and visitation to generate support for new investment in the study area. Concurrent with the market analysis, property use, transportation and infrastructure analyses were conducted to inform elements of the conceptual land use plan. These elements include transportation access, utility infrastructure, way finding, connectivity, parking, aesthetic considerations, provision of business district amenities, blighted properties, infill and redevelopment opportunities, and special property issues.

The culmination of the above analyses and public outreach process is an implementation strategy for future implementation efforts. In developing the implementation strategy, the RKG Team's primary focus was to offer viable recommendations that are grounded in market realities and consider the range of challenges and issues associated with future development and redevelopment of the Exit 150 area.

The Exit 150 Market Study and Conceptual Master Plan includes the following chapters:

- Chapter 1 – Executive Summary
- Chapter 2 – Introduction
- Chapter 3 – Socioeconomic Analysis
- Chapter 4 – Current Conditions
- Chapter 5 – Retail Market Analysis
- Chapter 6 – Hotel Market Analysis
- Chapter 7 – Multi-Family Residential Analysis
- Chapter 8 – Conceptual Land Use Plan
- Chapter 9 – Implementation Strategy

# 3 SOCIOECONOMIC ANALYSIS

## A. INTRODUCTION

The following section analyzes demographic trends and projections in areas such as population, households, income, education attainment, and employment data. The analysis focuses on trends and conditions within Botetourt County, and includes comparative data for the surrounding region comprised of: (1) Roanoke County, (2) Roanoke City, (3) Salem City, (4) Bedford County, (5) Bedford City, (6) Rockbridge County, (7) Lexington City, (8) Buena Vista City, (9) Alleghany County and (10) Covington City (Map 3-1). The data provides insight into local and regional growth trends as well as projected future growth patterns. These factors provide the framework for understanding the factors that will influence future development in the Exit 150 area. The consultant utilized several public and private data sources to complete the analysis including the U.S. Census Bureau, ESRI (Site to Do Business)<sup>1</sup>, Alteryx, and the Virginia Employment Commission.

Population, household, and income trend data provided by ESRI includes decennial data from the U.S. Census Bureau summarized for users in the real estate industry. ESRI incorporates projection data developed by their proprietary approach. RKG Associates uses this data unless otherwise noted. Data in tables is generally categorized by geographic area, with subject jurisdictions listed separately for comparison purposes.

## B. DEMOGRAPHIC TRENDS

### 1. Population and Household Trends and Projections

Information from the U.S. Census indicates that Botetourt County has experienced moderate but steady population growth since 2000, growing from approximately 30,362 in 2000 to 33,148 in 2010, reflecting an average annual rate of growth of 0.9%. During this period, Botetourt's growth rate exceeded that of the region, which was 0.6%. Population growth in Botetourt slowed from 2011 to 2014 to a rate of only 0.1%. The population growth is projected to pick up again to an average annual rate of 0.8% from 2015 to 2019, whereas the region is projected to grow at a rate of 0.5% (Table 3-1, Figure 3-1).

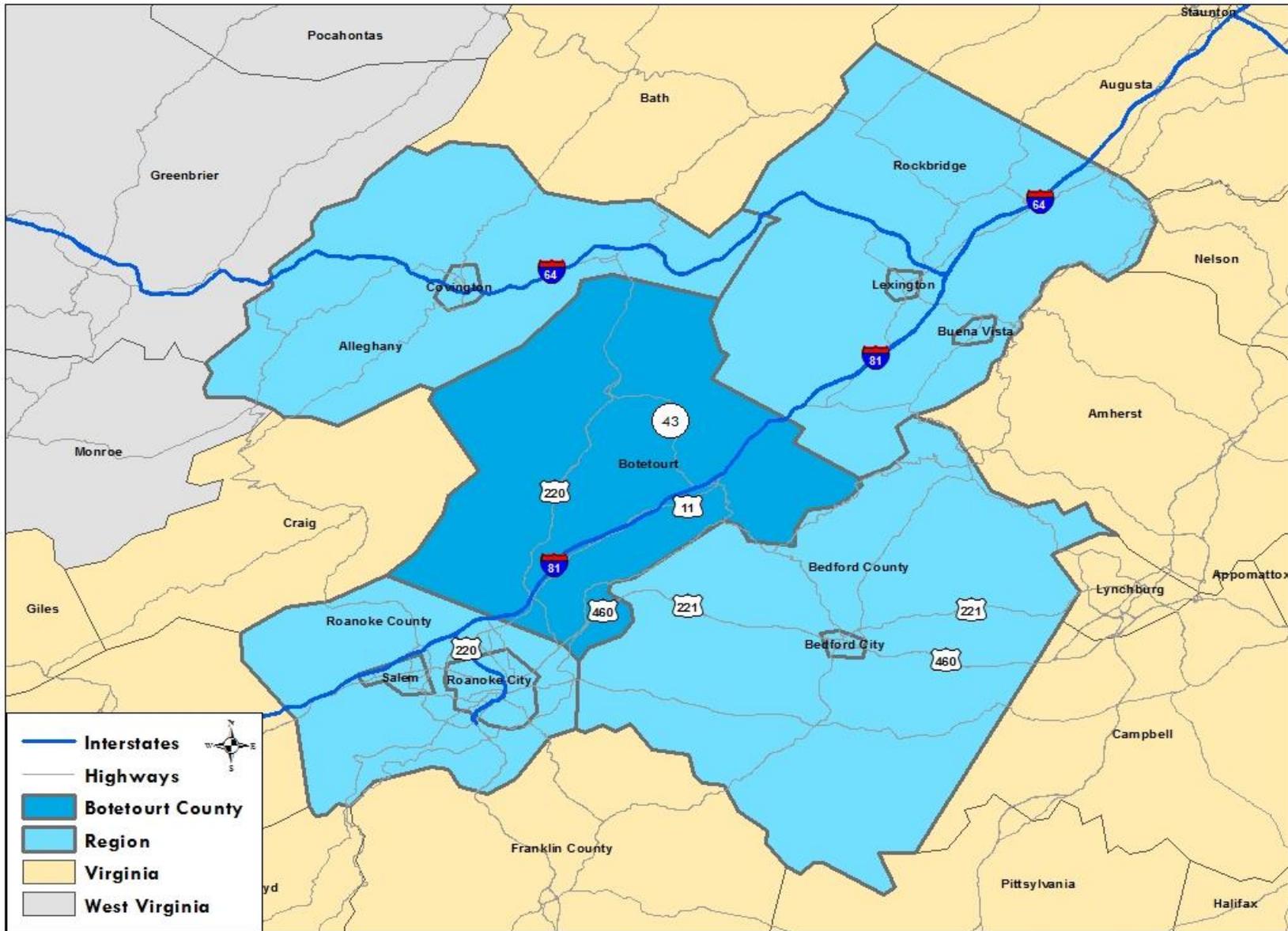
**Table 3-1**  
**Population Trends, 2000 - 2019**  
**Botetourt County and the Surrounding Region, Virginia**

	2000	2010	2014 Estimate	2019 Projection
Botetourt County	30,362	33,148	33,253	34,530
Alleghany County	17,219	16,250	16,143	16,036
Bedford County	60,429	68,677	70,562	73,974
Roanoke County	85,762	92,375	93,624	96,451
Rockbridge County	20,826	22,307	22,429	23,234
Bedford City	6,299	6,222	5,845	5,887
Buena Vista City	6,347	6,650	6,730	6,824
Covington City	6,300	5,961	5,706	5,560
Lexington City	6,867	7,042	7,147	7,196
Roanoke City	95,104	97,032	98,735	99,521
Salem City	24,751	24,802	25,342	25,478
Region (Less Botetourt)	329,904	347,318	352,263	360,161
Region	360,266	380,466	385,516	394,691

Source: U.S. Census Bureau, Alteryx, RKG Associates, Inc., 2015

<sup>1</sup> ESRI is an internationally renowned data vendor of socioeconomic and market data.

Map 3-1



Source: U.S. Census Bureau, Esri, RKG Associates, Inc., 2014

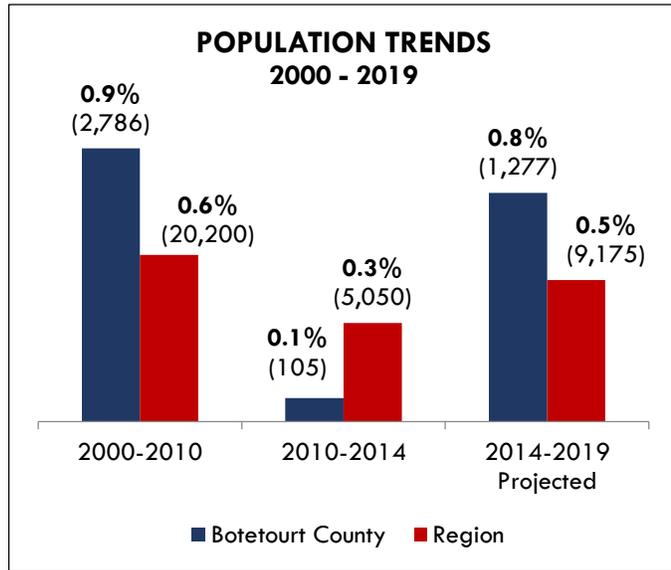
Bedford County has been the fastest growing jurisdiction in the region with a 16.8% growth from 2000 to 2014. The second fastest growing jurisdiction during the same time period was Botetourt County at 9.5%, followed by Roanoke County at 9.2%, and Rockbridge County at 7.7%. Jurisdictions that lost population include Alleghany County, Bedford City and Covington City.

Household growth trends typically parallel population trends. In 2000, Botetourt County had approximately 11,645 households compared to 13,174 in 2014, an increase of 1,529 or 13.1%. The region added 11,884 additional households over the same period, an increase of 8.0% (Figure 3-2).

Decreases in the average size of households are a contributing factor in the acceleration of household growth at a faster rate than population. Average household sizes in Botetourt County were 2.56 in 2000 compared to 2.50 in 2014.

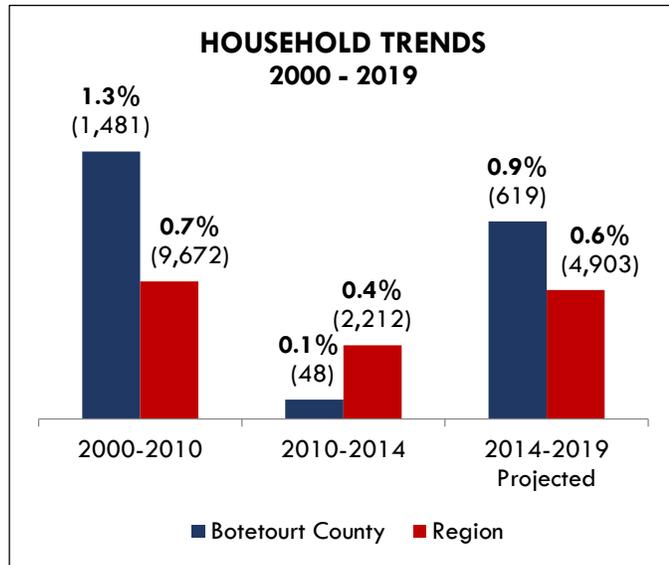
A general decline in average household size has been observed nationally, as there are increasing numbers of single-adult households, one-parent households, and generally lower fertility rates than in the past. Smaller household size could also be the result of an increase in the “empty-nest” retirement age population consisting largely of couples who no longer have children living with them.

Figure 3-1



Source: ESRI and RKG Associates, Inc., 2015

Figure 3-2



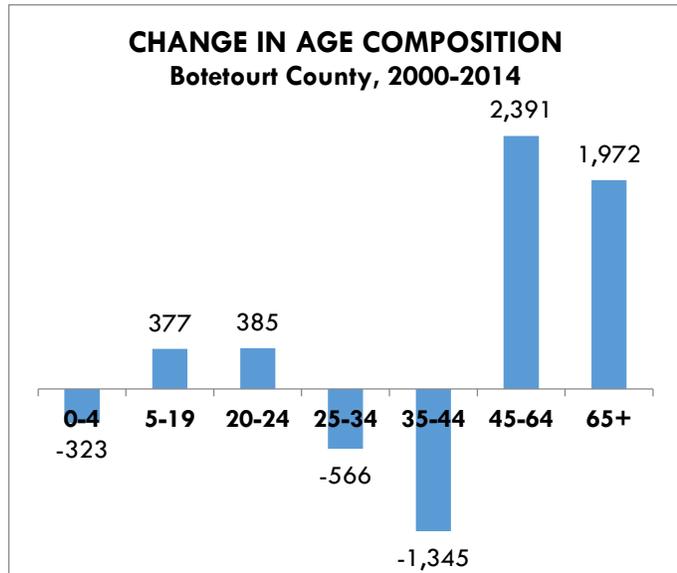
Source: ESRI and RKG Associates, Inc., 2015

### 3. Population by Age

An examination of changes in age composition in Botetourt County from 2000 to 2014 show increases in the older working 45 to 64 age cohort, and the retirement 65-plus age cohort, while actual losses occurred in the young working 25 to 44 age cohorts. The relatively high housing costs in the County are likely one contributing factor to this trend. Over the past couple decades the County's housing stock has catered to older, more established households seeking larger, more expensive homes. The lack of diversity in terms of housing types and prices has likely kept some younger or lower income households from staying in or moving to Botetourt County.

From 2000 to 2014, Botetourt County lost 1,920 people between the ages of 25 and 44, and most likely their young children as well, as the county lost 323 between the ages of 0 to 4. The largest increase was in the 45 to 64 prime earning-years group, adding 2,391 people, followed by retirement age people at 1,972 (Figure 3-3).

Figure 3-3

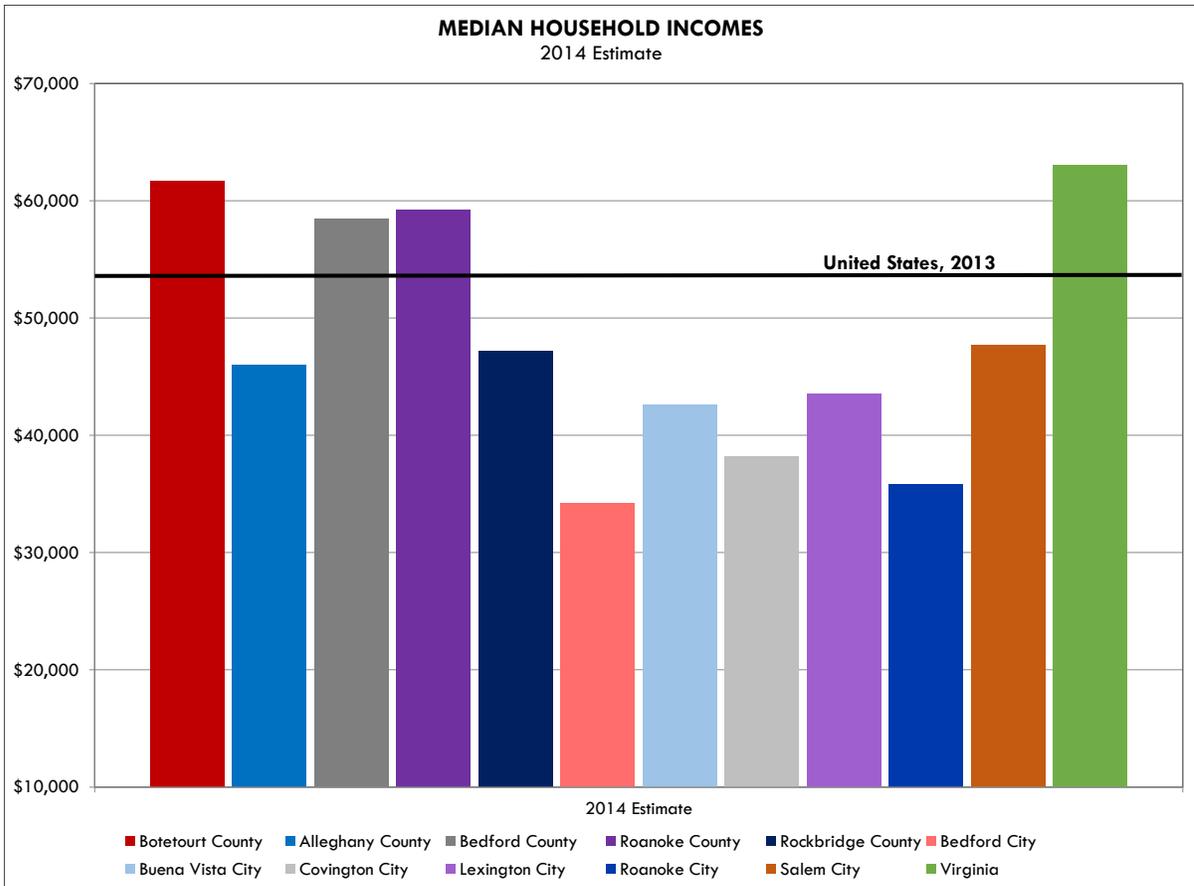


Source: ESRI and RKG Associates, Inc., 2015

### 4. Household Income

Median household income data indicates a level of relative prosperity for Botetourt County with regard to household incomes, as it is highest among the jurisdictions in the region at \$61,677 for 2014. The average for the region, less Botetourt, was \$53,816 in 2014. Second to Botetourt County in median household income was Roanoke County at \$59,200. Lowest among jurisdictions is Roanoke City, at \$35,822. Of course, it is not atypical for a region's urban hub to have a low median household income, since it usually contains the highest concentration of low and moderate income households. Botetourt County's median household income was nearly as high as the State of Virginia at \$63,017, and exceeded that of the U.S. at \$53,046 (Figure 3-4).

Figure 3-4

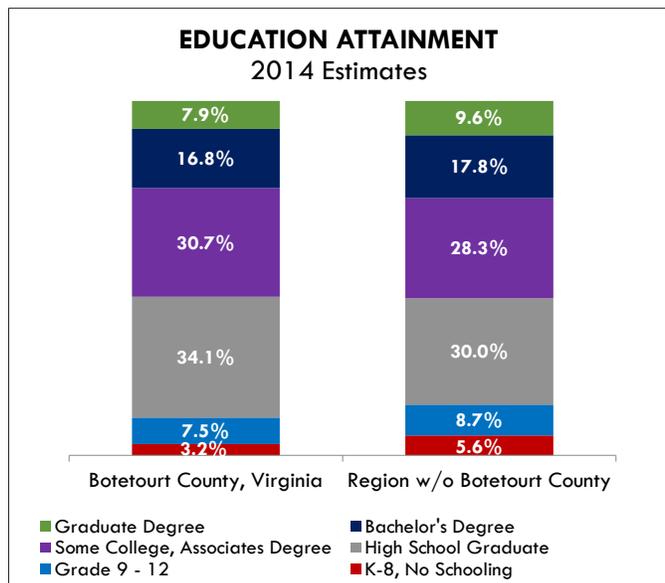


Source: ESRI and RKG Associates, 2015

## 5. Education Attainment

The education attainment of the local and regional labor force is a significant factor in supporting efforts to attract new employers. Figure 3-5 illustrates the educational attainment levels of the population 25 years and older for Botetourt County and region without Botetourt. Botetourt County trails slightly behind the region in post secondary educational attainment, with 7.9% attainment of graduate degrees and 16.8% attainment of bachelor's degrees compared to 9.6% and 17.8% for the region, respectively.

Figure 3-5



Source: ESRI and RKG Associates, 2015

## C. ECONOMIC BASE ANALYSIS

The economic base analysis examines changes in the employment and business establishments within the greater study area in an effort to understand and frame the development potential in the Exit 150 area. This analysis includes data on employment, major employers, labor force and unemployment trends, occupational skills and commuting patterns, which will help to establish a context for evaluating the potential for new land uses in the study area.

### 1. Employment Trends

At-place employment measures the number of workers within a specific geography, without regard to place of residence. For example, in 2014, Botetourt County had approximately 10,100 people who worked in the county, which included in-commuters and residents. At-place employment does not include working residents who commute to jobs outside of their county or city of residence. Botetourt County's employment base is still characteristic of a residential community rather than an employment center. Typically, the number of jobs available in a community would be close to 50% of the total population. In Botetourt County, with at 2014 population of 33,252, one would expect the number of at place jobs to be closer to 16,000 rather than the 10,100 jobs reported in 2014.

Botetourt County added 1,749 new jobs from 2004 to 2014, for a current total of 10,100. Notable increases in employment occurred in *wholesale trade* (392), *administration and support* (375), *health care and social assistance* (357), and *transportation and warehousing* (245). *Manufacturing* added 150 jobs, which is counter to national trends of declines in that sector (Table 3-2, Figure 3-6). In a region that created a total of 2,897 jobs between 2004 and 2014, Botetourt County accounted for 1,749 or 60% of the net employment gains.

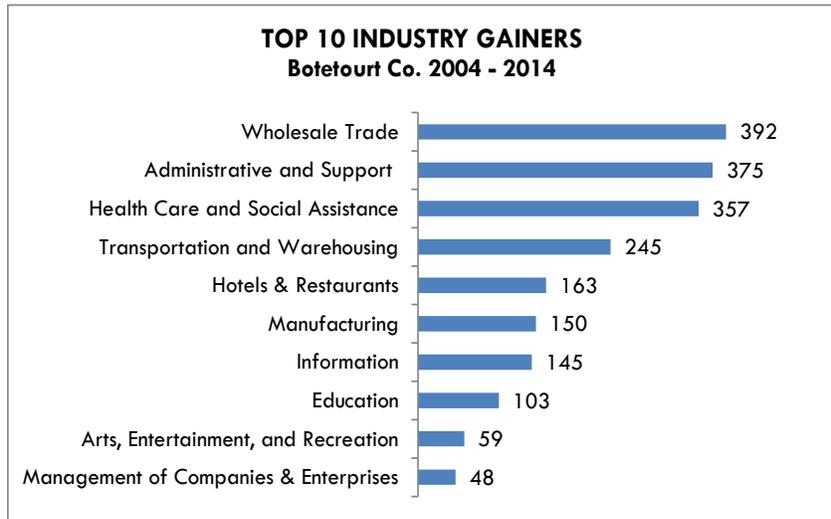
**Table 3-2**  
**Employment Trends 2004Q2 - 2014Q2**  
**Botetourt County**

NAICS	Description	2004Q2	2014Q2	Change	% Change
TOTAL	<b>Total</b>	<b>8,351</b>	<b>10,100</b>	<b>1,749</b>	<b>20.9%</b>
11	Agriculture, Forestry, Fishing and Hunting	99	110	11	11.1%
21	Mining, Quarrying, and Oil and Gas Extraction	154	108	(46)	-29.9%
22	Utilities	9	12	3	33.3%
23	Construction	917	692	(225)	-24.5%
31	Manufacturing	1,718	1,868	150	8.7%
42	Wholesale Trade	613	1,005	392	63.9%
44	Retail Trade	723	743	20	2.8%
48	Transportation and Warehousing	671	916	245	36.5%
51	Information	101	246	145	143.6%
52	Finance and Insurance	117	132	15	12.8%
53	Real Estate and Rental and Leasing	66	53	(13)	-19.7%
54	Professional, Scientific, and Technical Services	287	223	(64)	-22.3%
55	Management of Companies and Enterprises	93	141	48	51.6%
56	Administrative and Support	372	747	375	100.8%
61	Educational Services	680	783	103	15.1%
62	Health Care and Social Assistance	464	821	357	76.9%
71	Arts, Entertainment, and Recreation	147	206	59	40.1%
72	Accommodation and Food Services	632	795	163	25.8%
81	Other Services (except Public Administration)	153	188	35	22.9%
92	Public Administration	335	311	(24)	-7.2%
99	Unclassified	0	0	0	0.0%

Source: JobsEQ, RKG Associates, Inc., 2015

Although the region added nearly 2,900 jobs in the last decade, there were significant losses in construction (-3,289), manufacturing (-3,365) and retail (-1,950). The health care and social services sector added 6,737 jobs, growing 28.0% (Table 3-3)

Figure 3-6



Source: Jobs EQ; RKG Associates, 2015

**Table 3-3**  
**Employment Trends 2004Q2 - 2014Q2**  
**Botetourt County & Surrounding Region (Map 3-1)**

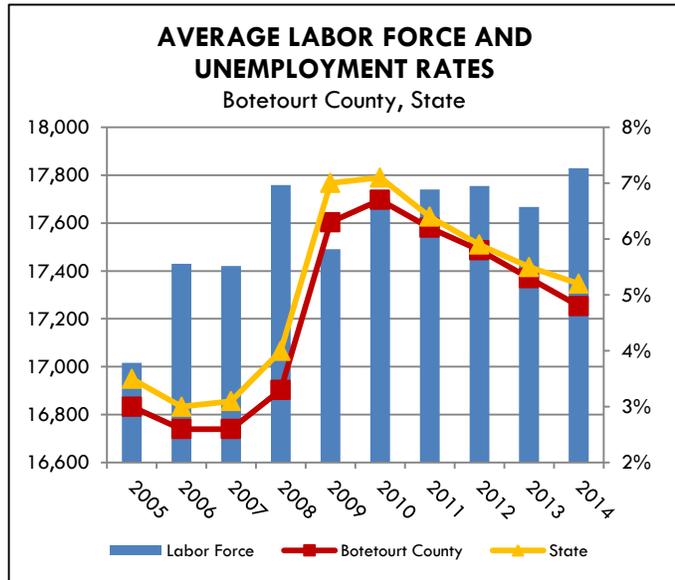
NAICS	Description	2004Q2	2014Q2	Change	% Change
<b>TOTAL</b>	<b>Total</b>	<b>183,835</b>	<b>186,732</b>	<b>2,897</b>	<b>1.6%</b>
11	Agriculture, Forestry, Fishing and Hunting	480	572	92	19.2%
21	Mining, Quarrying, and Oil and Gas Extraction	284	190	(94)	-33.1%
22	Utilities	1,037	885	(152)	-14.7%
23	Construction	13,624	10,335	(3,289)	-24.1%
31	Manufacturing	23,750	20,385	(3,365)	-14.2%
42	Wholesale Trade	7,574	8,031	457	6.0%
44	Retail Trade	24,434	22,484	(1,950)	-8.0%
48	Transportation and Warehousing	7,860	8,278	418	5.3%
51	Information	3,359	2,466	(893)	-26.6%
52	Finance and Insurance	7,482	6,735	(747)	-10.0%
53	Real Estate and Rental and Leasing	2,531	2,183	(348)	-13.7%
54	Professional, Scientific, and Technical Services	8,903	9,187	284	3.2%
55	Management of Companies and Enterprises	4,607	4,973	366	7.9%
56	Administrative and Support	9,367	10,398	1,031	11.0%
61	Educational Services	14,921	16,461	1,540	10.3%
62	Health Care and Social Assistance	24,080	30,817	6,737	28.0%
71	Arts, Entertainment, and Recreation	3,223	2,828	(395)	-12.3%
72	Accommodation and Food Services	13,789	15,688	1,899	13.8%
81	Other Services (except Public Administration)	5,928	6,725	797	13.4%
92	Public Administration	6,602	7,110	508	7.7%
99	Unclassified	0	1	1	0.0%

Source: JobsEQ, RKG Associates, Inc., 2015

## 2. Labor Force and Unemployment Trends

The labor force and unemployment rate are measures of the size of a region’s active, resident workforce, as well as their current employment status. The labor force includes workers who are currently employed, unemployed, or actively looking for work. The labor force of Botetourt County increased from 16,656 in 2004 to 17,759 in 2008, then dropped back to 17,491 in 2009 as unemployment rose from 3.3% to 6.3% in one year. The unemployment rate was 4.8% for 2014 with an annualized workforce of 17,829. Unemployment rates in the Botetourt County have managed to remain less than Virginia’s since 2004, indicating a relatively stable economic base in the region (Figure 3-7).

Figure 3-7



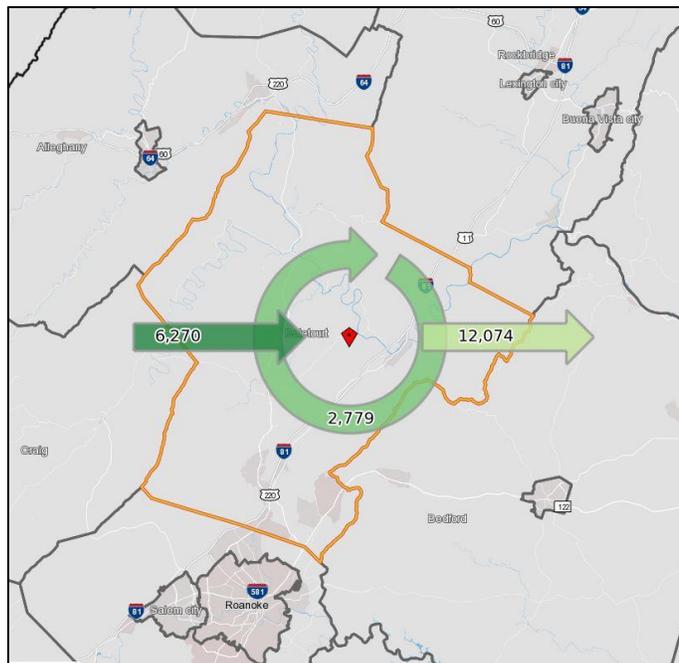
Source: U.S. Bureau of Labor Statistics; RKG Associates, 2015

## 3. Commuting Patterns

Understanding commuting patterns can provide useful insight into evaluating potential actions with regard to creating and retaining jobs, which will impact future residential and non-residential development. Commuting patterns highlight the flow of workers into and out of a given labor market area and as such, can help to indicate where there may be potential to capture additional jobs that are “leaking” from the local economic base.

Figure 3-8 illustrates 2011 commuting patterns for at-place workers and residents of Botetourt County. Of the estimated 9,049 persons employed in Botetourt County in that year, 2,779 (30.7%) were county residents, and 6,270 (69.3%) lived outside the county. Commuters who left the county to work elsewhere numbered 12,074. Of this number, 14.8% commuted into Roanoke, 4.0% commuted to Hollins, and 2.9% commuted to Salem, and the remainder commuted to other places.

Figure 3-8



Source: U.S. Bureau of Labor Statistics; RKG Associates, 2015

## **D. IMPLICATIONS**

Growth in Botetourt County and the Region has been slow, with the Region adding approximately 25,000 in total population from 2000 to 2014. In the county, the population of young, working age people age 25 to 44 actually decreased by 1,900 during the period, which reflects a trend in many rural areas of outmigration to urban employment nodes. This has been largely offset by the addition of nearly 4,400 people age 45 and over.

The workforce in Botetourt County was only slightly higher in 2014 than 2008. However, Botetourt County has experienced net increases in employment from 2004 to 2014; boosted by increases in manufacturing, wholesale trade, transportation and warehousing, information, administration, health care, and hospitality.

# 4 EXIT 150 CURRENT LAND USE CONDITIONS

## A. INTRODUCTION

This chapter examines the existing land uses in the Exit 150 study area, with a focus on property and building conditions, types and density of improvements, ownership patterns, access, and other salient characteristics that could impact future development or redevelopment. The analysis includes factors such as inventory by land use, acres, building types, square feet of improvements, land value, and improvement value.

## B. LAND USE CLUSTERS & LEVEL OF IMPROVEMENT

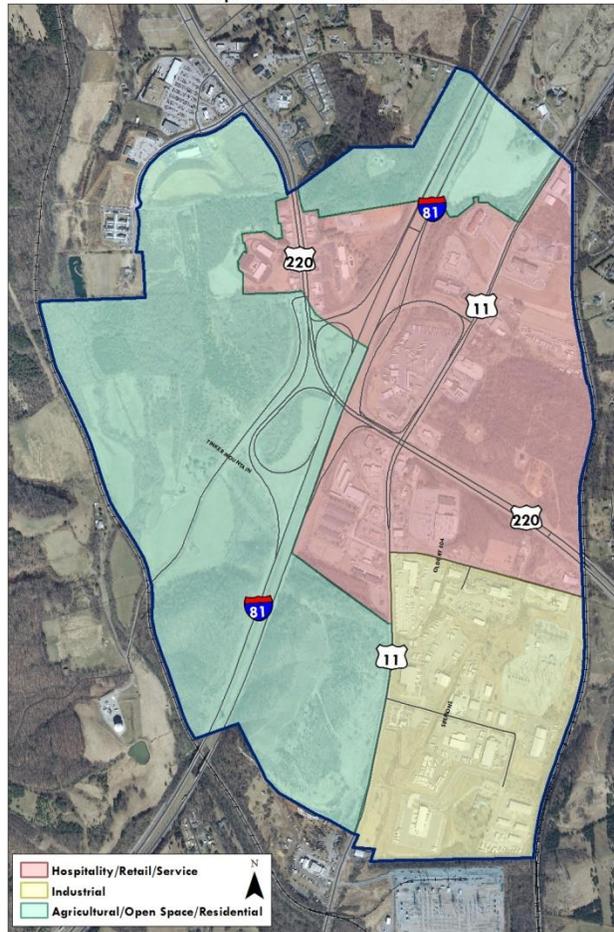
Land use patterns in Exit 150 study area form three distinct clusters of dominant uses: (1) *hospitality/retail/service*, which includes hotels, automotive uses, restaurants, merchandise stores, other commercial uses, and some undeveloped properties; (2) *industrial*, which includes warehouse & distribution, manufacturing, and utilities; and, (3) *agriculture/open space/residential* which contains both public and private property which is largely undeveloped (Figure 4-1).

When assessing the potential for development and/or redevelopment within a specific area, it is useful to identify the levels of improvements for properties in the area. Improvements often represent significant investment in a property, and in the case of the Exit 150 area, include viable businesses. On the other hand, undeveloped or underdeveloped properties, by their very nature, present the potential for new development or redevelopment, if it is the desire of the property owner to do so.

Figure 4-2 shows property categorized by four levels of improvement: (1) *substantially improved*, which includes the industrial area east of Route 11 and south of Olde Route 604, the commercial clusters along Route 11, and the commercial area straddling Route 220 west of I-81; (2) *underutilized/unimproved/agricultural* which includes private properties; (3) *federal land* around the Appalachian Trail; and (4) *public*

Figure 4-1

Project Area Use Clusters



improved/planned property such as the former truck stop within the Exit 150-B north exit loop, now owned by Virginia Department of Transportation (VDOT) (Figure 4-2).

### C. CURRENT LAND USES

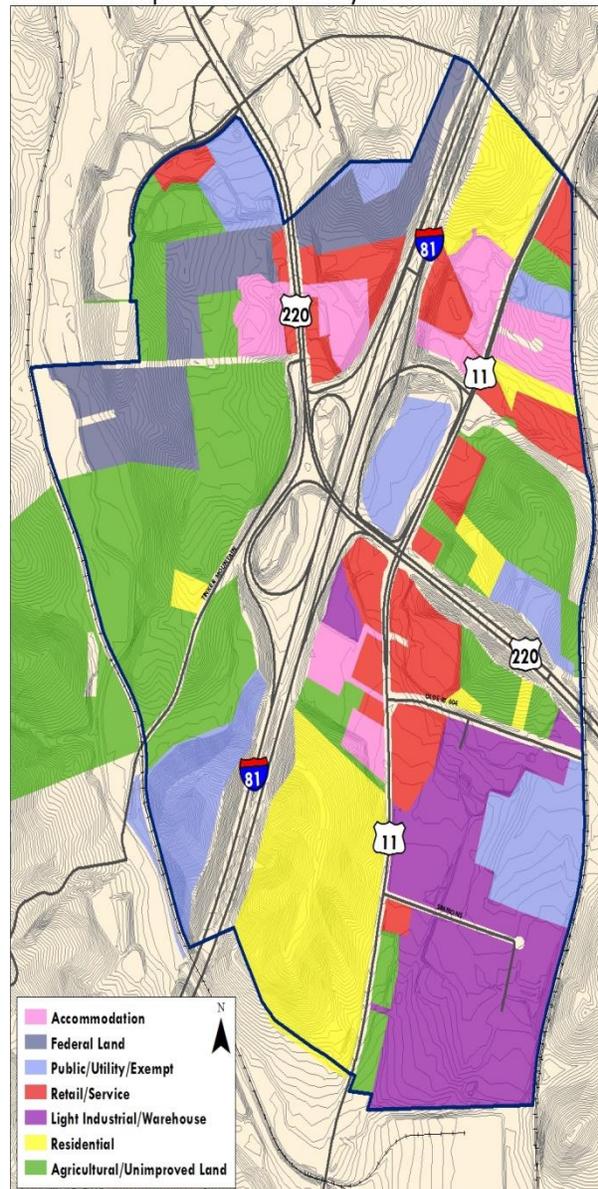
When properties are identified by general uses, a clearer picture of future development potential emerges. For example, discussions with property owners and stakeholders revealed interest in developing the larger residential and agricultural/unimproved land parcels shown in yellow and green shading, respectively, on Figure 4-3. Smaller parcels may also be in play, particularly if they can be brought into a larger assemblage of adjacent properties.

**Figure 4-2**  
Property Categorized by Level of Improvement



Source: RKG Associates 2015

**Figure 4-3**  
Properties Identified by General Use



Source: RKG Associates 2015

The most unlikely candidates for redevelopment are properties with substantial improvements with ongoing operations, such as the *light industrial/warehouse* area in the southeast corner of the Exit 150 study area and other parcels where viable businesses reside. However, some parcels contain vacant buildings and/or are being actively marketed for sale, making them viable candidates for redevelopment.

Based on a review of Botetourt County's assessment records, a summary inventory was compiled that illustrates the general land use characteristics in the Exit 150 study area. Table 4-1 shows the properties with substantial improvements, including paved parking lots, and Table 4-2 shows undeveloped properties. There are 72 developed properties in the Exit 150 study area comprising approximately 268 acres with a total assessed land value of approximately \$33.6 million (Table 4-1).

**Table 4-1**  
**Exit 150 Area Developed Land Characteristics by Property Type**  
**Botetourt County, Virginia**

	Properties	Acres	% Total Acres	Acres/Property	Land Value	% Total Land Value	Value/ Acre
Accommodation	8	34.9	13.0%	4.4	\$7,609,200	22.6%	\$217,748
Automotive	14	23.5	8.8%	1.7	\$5,021,900	14.9%	\$213,407
Flex/Warehouse	2	13.7	5.1%	6.9	\$746,500	2.2%	\$54,418
Light Industrial/Warehouse	11	54.2	20.2%	4.9	\$3,457,300	10.3%	\$63,778
Retail	7	22.1	8.3%	3.2	\$4,279,400	12.7%	\$193,297
Residential	6	22.9	8.6%	3.8	\$384,100	1.1%	\$16,747
Restaurant	8	12.5	4.7%	1.6	\$4,336,900	12.9%	\$347,787
Out of Use	3	3.3	1.2%	1.1	\$590,300	1.8%	\$177,908
Public/Utility/Exempt	13	80.6	30.1%	6.2	\$7,180,900	21.4%	\$89,109
<b>TOTAL</b>	<b>72</b>	<b>267.9</b>	<b>100.0%</b>	<b>N/A</b>	<b>\$33,606,500</b>	<b>100.0%</b>	<b>N/A</b>

Source: Botetourt County Tax Assessor; RKG Associates 2015

In cases where unimproved land show land uses such as *accommodation* and *automotive*, for example, these are parcels adjacent to improved properties under common ownership that could potentially be used for expansion. These are shown in Table 4-2 as underutilized or substantially unimproved properties, along with *agricultural/unimproved* and *residential* properties. These properties comprise a total of approximately 360 acres, 229 acres of which are *agriculture/unimproved* and 57 acres of which are *residential* (Table 4-2).

**Table 4-2**  
**Exit 150 Area Underutilized or Substantially Unimproved Land Characteristics by Property Type**  
**Botetourt County, Virginia**

	Properties	Acres	% Total Acres	Acres/Property	Land Value	% Total Land Value	Value/ Acre
Agricultural/Unimproved	23	228.8	63.5%	9.9	\$7,271,500	55.4%	\$31,780
Federal Land/Coal Parcels	8	49.2	13.7%	6.2	\$2,407,000	18.4%	\$48,877
Underutilized/Vacant Land							
Accommodation	3	3.4	0.9%	1.1	\$913,800	7.0%	\$269,796
Automotive	5	8.1	2.3%	1.6	\$935,500	7.1%	\$114,842
Flex/Warehouse	1	3.0	0.8%	3.0	\$148,000	1.1%	\$48,748
Light Industrial/Warehouse	2	9.7	2.7%	4.8	\$484,100	3.7%	\$50,166
Retail	2	0.9	0.3%	0.5	\$129,200	1.0%	\$139,074
Residential	2	57.2	15.9%	28.6	\$827,500	6.3%	\$14,459
<b>TOTAL</b>	<b>46</b>	<b>360.4</b>	<b>100.0%</b>	<b>N/A</b>	<b>\$13,116,600</b>	<b>100.0%</b>	<b>N/A</b>

Source: Botetourt County Tax Assessor; RKG Associates 2015

An inventory of building uses completes the identification of property uses. However, building uses do not necessarily correspond to property types. For example, a detailed analysis showed a single industrial property with four distinct building uses including *light industrial*, *warehouse*, *workshop* and *office*. *Accommodation* accounted for the largest building use at approximately 360,000 square feet followed by *retail* at 130,719 square feet. Combined *distribution*, *light industrial*, *warehouse*, *workshop* and *office* building uses equal approximately 270,000 square feet. Total assessed value for improvements equals approximately \$39 million (Table 4-3).

In summary, the Exit 150 study area contains 268 acres of developed land with an assessed value of \$33.6 million, 360 acres of undeveloped or underdeveloped land with an assessed value of \$13.1 million, and approximately 906,000 square feet of improvements valued at approximately \$39.0 million. The total assessed value of land and improvements in the Exit 150 study area is approximately \$85.8 million.

**Table 4-3**  
**Exit 150 Area Developed Land Characteristics by Building Use**  
**Botetourt County, Virginia**

<b>Building Use</b>	<b>Uses</b>	<b>Square Feet</b>	<b>% Total Square Feet</b>	<b>Square Feet/ Use</b>	<b>Improvement Value</b>	<b>% Total Improvement Value</b>
Accommodation	9	359,963	39.7%	39,996	\$18,696,300	47.9%
Automotive	22	73,798	8.1%	3,354	\$2,718,400	7.0%
Distribution	1	10,800	1.2%	10,800	\$648,000	1.7%
Light Industrial	9	70,558	7.8%	7,840	\$1,992,000	5.1%
Warehouse	7	54,040	6.0%	7,720	\$1,542,300	4.0%
Workshop	8	59,449	6.6%	7,431	\$1,400,270	3.6%
Office	19	75,423	8.3%	3,970	\$3,928,267	10.1%
Retail	13	130,719	14.4%	10,055	\$3,169,700	8.1%
Service	4	15,059	1.7%	3,765	\$987,900	2.5%
Restaurant	10	39,704	4.4%	3,970	\$3,120,700	8.0%
Residential	7	16,206	1.8%	2,315	\$823,433	2.1%
<b>TOTAL</b>	<b>109</b>	<b>905,719</b>	<b>100.0%</b>	<b>N/A</b>	<b>\$39,027,270</b>	<b>100.0%</b>

Source: Botetourt County Tax Assessor; RKG Associates 2015

**D. DEVELOPMENT/REDEVELOPMENT POTENTIAL**

A master plan serves as guide to public and private actions and decisions to ensure the development of public and private properties in ways consistent with a community’s overarching vision for a specific geography such as the Exit 150 study area. Nevertheless, a master plan cannot compel a private property owner to sell, develop or redevelop their property in any way if they do not choose to do so. Indeed, many of the properties contain viable businesses that will most likely benefit from transportation and infrastructure improvements in the area. Outside an owner’s intentions regarding the disposition of their real property, there are other factors that will influence the feasibility and timing of development in the Exit 150 study area. RKG conducted a preliminary assessment of development potential of each property in the Exit 150 study area. This assessment considered the following criteria:

- Developed versus undeveloped/underdeveloped land;
- Public (e.g. federal) versus private land;
- Viability of existing land uses (e.g., successful versus struggling/abandoned business);

- Utilization of land and transferability of land use (e.g., a used car business requiring minimal use of buildings versus a hotel with a considerable investment in buildings);
- Topographical characteristics (flat versus hilly and rocky);
- Roadway transportation access;
- Highway visibility;
- Access to utilities (e.g., water, sewer)
- Fractured ownership of smaller sites.

Other factors that influence future development include, but are not limited to:

- Owner's intentions;
- Market support;
- Level of public commitment, involvement and investment.

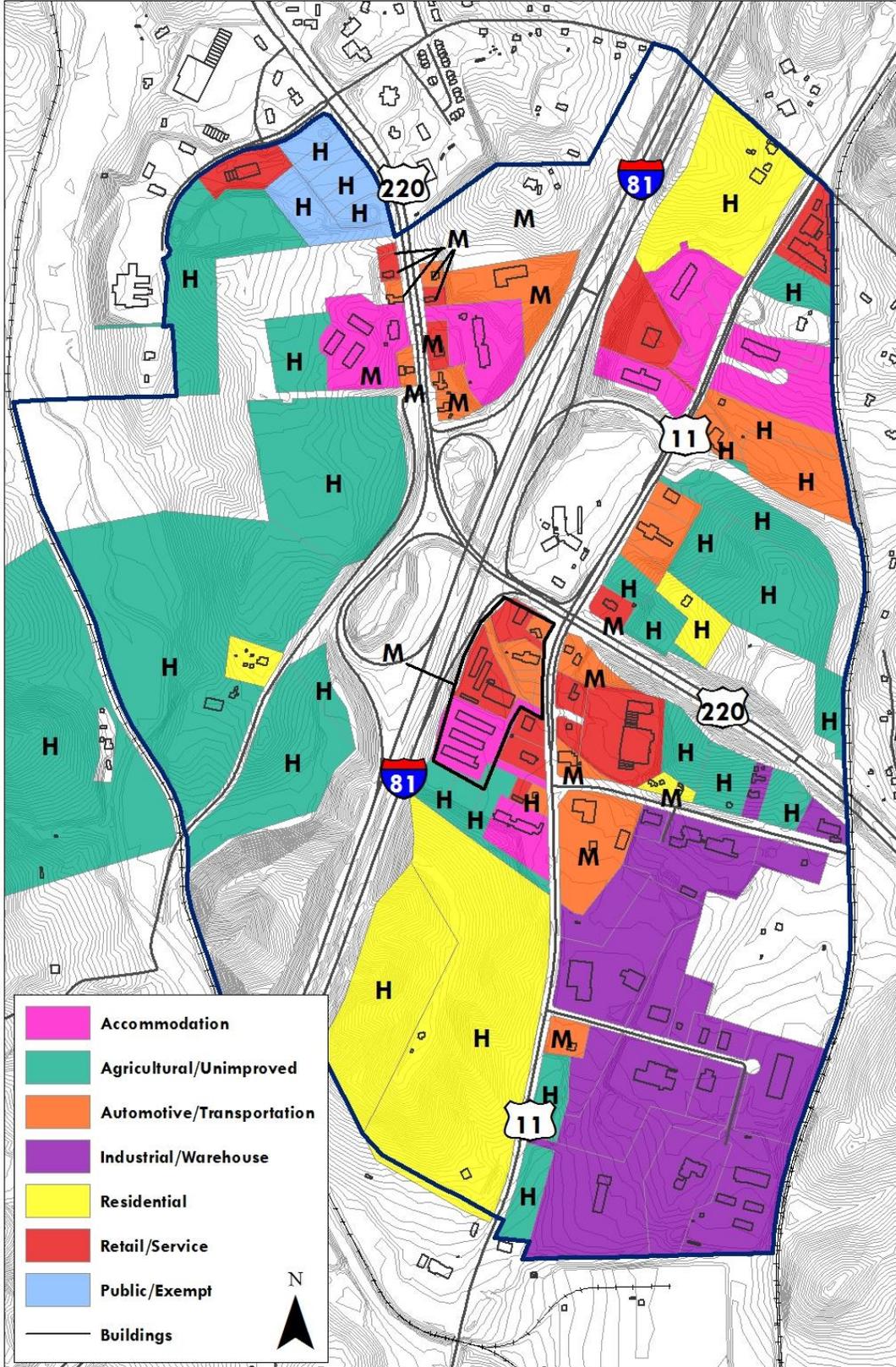
RKG Associates attempted to reach out to many of the larger property owners within the Exit 150 study area to inquire about their future plans for their properties. While the details of those interviews are confidential, RKG was able to assess the development/redevelopment of certain properties. In those instances where property owners were not interested in sharing that information with the consultants, RKG relied on its professional judgements in making this assessment.

The following general land use maps show the letter designations of "H", which indicates properties with a relatively high potential for development/redevelopment in the next 15 to 20 years, and "M", which indicates properties with a moderate potential for development/redevelopment in the same time period. Properties that do not have a letter designation have been assessed as having the lowest likelihood for redevelopment in the next 15 to 20 years.

*Agricultural/unimproved* and *residential* land uses in the study area have "H" designations by virtue of their capacities to accommodate new development and the relative lack of existing improvements on the land. Although some of the properties have transportation access challenges, these are not insurmountable, particularly if the owners have expressed a willingness to develop the property.

Properties with "M" designations include properties currently for sale, land uses that could be transferred or eliminated to make way for higher and better uses (at the owner's discretion), and properties with low utilization of land (Figure 4-4).

Figure 4-5  
**Development/Redevelopment Potential: Exit 150 Study Area**



Source: RKG Associates 2015

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# 5 RETAIL MARKET ANALYSIS

## A. OVERVIEW

The term “retail” generally refers to operations involved in the sale of goods, merchandise, or services from a fixed location, such as a shopping center or freestanding store. Retail can generally be classified into two major categories by building configuration: **general retail**, which is typically single tenant freestanding general purpose commercial buildings with parking; and, shopping centers.

The definition of a **shopping center** is standard. As formulated by the former Community Builders Council of the Urban Land Institute (ULI) in the 1950s and reaffirmed over time, a shopping center is a group of commercial establishments planned, developed, owned, and managed as a unit related in location, size, and type of shops to the trade area it serves. It provides on-site parking relating to the types and sizes of its stores.

As the shopping center evolved, five basic types emerged, each distinctive in its own function: (1) the convenience, (2) the neighborhood, (3) the community, (4) the regional, and (5) the super-regional. In all cases, a shopping center’s type and function are determined by its major tenant or tenants and the size of its trade area; they are never based solely on the area of the site or the square footage of the structures.

ULI defines the types of shopping centers that comprise the majority of retail development in the United States. For purposes of understanding terms and characterizations used in this report, the types of retail centers are summarized:

- **Convenience Center** — Provides for the sale of personal services and convenience goods similar to those in a neighborhood center. It contains a minimum of three stores, with a gross leasable area (GLA) of up to 30,000 square feet. Instead of being anchored by a supermarket, a convenience center is usually anchored by some other type of personal/convenience services such as a minimarket.
- **Neighborhood Shopping Center** — This type of retail center provides for the sale of convenience goods (foods, drugs, and sundries) and personal services (e.g. laundry and dry cleaning, hair-styling, shoe repair and tailoring) for the day-to-day needs of the residents in the immediate area. It is built around a supermarket as the principal tenant and typically contains a gross leasable area of about 60,000 square feet. In practice, neighborhood centers can range from 30,000 to 150,000 square feet. Botetourt Commons Shopping Center qualifies as a neighborhood shopping center.
- **Community Shopping Center** — In addition to the convenience goods and personal services offered by the neighborhood center, a community center provides a wider range of soft lines (wearing apparel) and hard lines (hardware and appliances). The community center makes merchandise available in a greater variety of sizes, styles, colors, and prices. Many centers are built around a junior department store, variety store, super drugstore, or discount department store as the major tenant, in addition to a supermarket.

Although a community center does not have a full-line department store, it may have a strong specialty store or stores. Its typical size is about 150,000 square feet of gross leasable area, but in practice, it may range from 100,000 to 350,000 or more square feet. Centers that fit the general profile of a community center but contain more than 250,000 square feet are classified as super community centers. As a result, the community center is the most difficult to estimate for size and pulling power. There are currently no community shopping centers in Botetourt County.

- **Power Center** - A power center is a type of super community center that contains at least four category-specific, off-price anchors of 20,000 or more square feet. These anchors typically emphasize hard goods such as consumer electronics, sporting goods, office supplies, home furnishings, home improvement goods, bulk foods, health and beauty aids, and personal computer hardware/software. There are currently no power centers in Botetourt County.
- **Regional Shopping Center** — This type of center provides general merchandise, apparel, furniture, and home furnishings in depth and variety, as well as a range of services and recreational facilities. It is built around two or more full-line department stores of generally not less than 50,000 square feet. Its typical size is about 500,000 square feet of gross leasable area, but in practice it may range from 250,000 square feet to more than 800,000 square feet. The regional center provides services typical of a business district yet not as extensive as those of the super-regional center. There are currently no regional shopping centers in Botetourt County.
- **Super-Regional Shopping Center** — A super regional center offers an extensive variety in general merchandise, apparel, furniture and home furnishings, as well as a variety of services and recreational facilities. It is built around three or more full-line department stores generally of not less than 75,000 square feet each. The typical size of a super-regional center is about 1 million square feet of GLA. In practice the size can range from about 500,000 to more than 1.5 million square feet. Super regional centers have been typified by enclosed malls for over the past thirty years, but have transitioned to outdoor “town centers” over the past decade or so. The Valley View Mall in Roanoke, although smaller than most, qualifies as a super-regional shopping center. There are currently no super-regional shopping centers in Botetourt County.
- **General Retail** typically includes free standing, urban ground floor, car dealers, banks, service stations, restaurants, and merchants otherwise not located in an identifiable shopping center.

## **B. RETAIL MARKET DYNAMICS**

### **1. Competitive Supply**

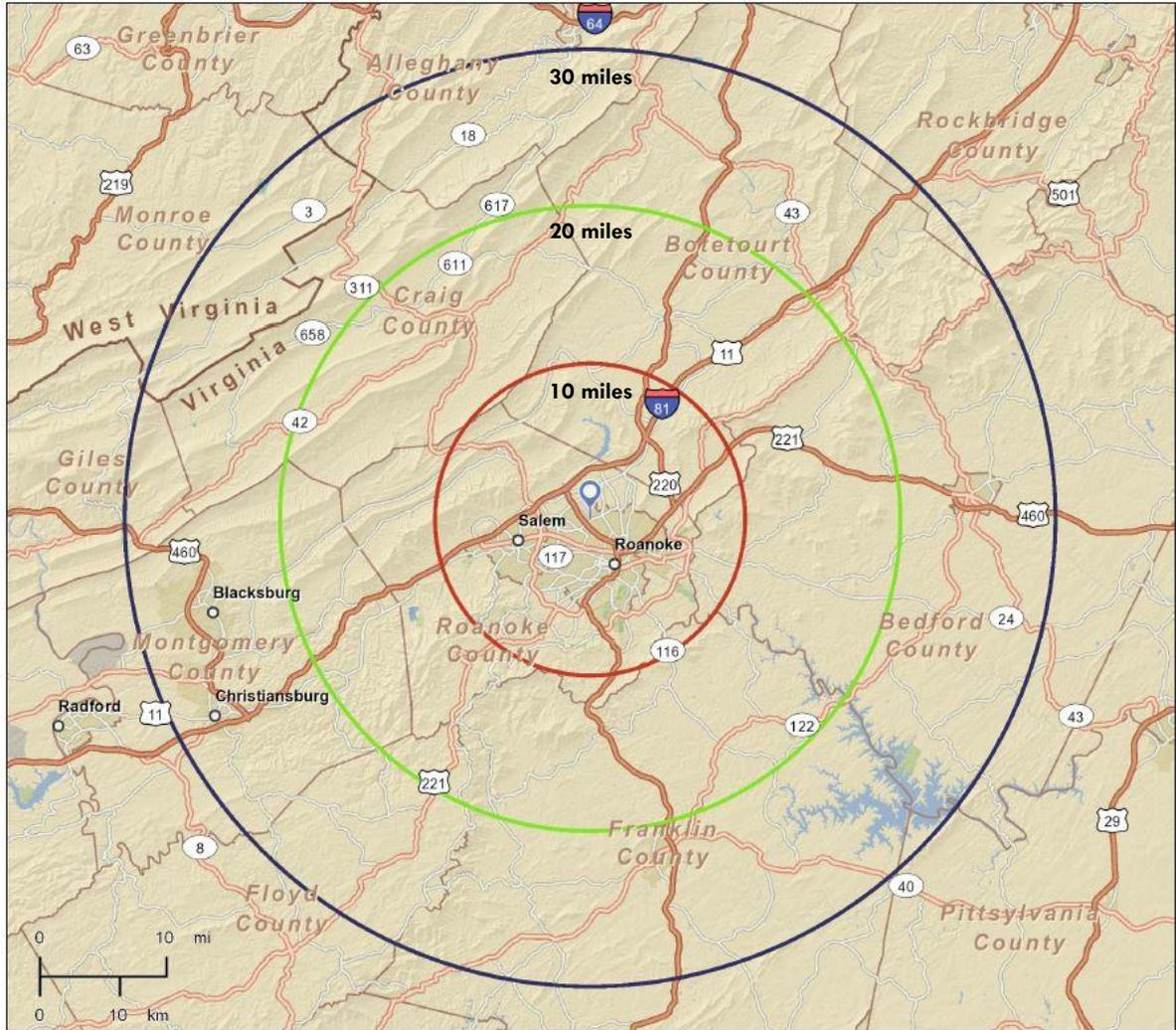
The Roanoke metro area serves as the retail hub a broad area to the north, east and west, beyond the influences of the Lynchburg and Blacksburg retail inventories. Valley View Mall is the center of gravity in the Roanoke retail marketplace, with 864,000 square feet and four major department store anchors (Macy’s, JC Penney, Sears and Belk). Adjacent to the mall is a Walmart Supercenter and other freestanding stores such as Dick’s Sporting Goods, Haverty’s Furniture, and several national chain restaurants. Smaller community shopping centers are also within close proximity to the mall. Also in Roanoke is the Tanglewood Mall, comprising 794,000 square feet and featuring Belk and JC Penney as its department store anchors. To the east of Roanoke is the 1 million-square-foot Lakeside Center mall (Map 5-1). Not shown on the map is the 442,000-square-foot Spradlin Farm Shopping Center in Blacksburg, 30 miles to the southwest of Exit 150.

The greater Roanoke marketplace also contains a number of large format stores such as seven Walmarts (general merchandise), four Home Depot stores (building materials, lawn & garden supplies)



within a ten-, twenty-, and thirty-mile radius from the Valley View Mall. As Map 5-2 shows, the 30-mile radius encompasses the retail hubs in both Blacksburg to the west and Lynchburg to the east.

Map 5-2



Source: ESRI Business Solutions 2015

The retail market potential for each radius is based on household characteristics and retail inventory in each specific area and does not take into account transients and tourists, which also support a portion of the area's retail inventory. Opportunity surpluses are shown in black typeface in Table 5-1, and are prevalent for most retail categories with the exception of health and personal care stores (which includes pharmacies and drug stores), general merchandise, office supplies, used merchandise and auto dealers, which show opportunity gaps (in red type). This means that the supplies captured by stores in these categories are greater than the demand for these goods by the population within the same radius. In other words, the area is a "net importer" of retail sales as customers from outside the region are being drawn to local stores. This often happens in areas where a hub city serves the needs of a much larger suburban or rural market.

Opportunity gaps do not necessarily assure the viability of new retail inventory in any specific categories, however. For example, an office supply store will base location decisions on the

concentration of commercial office and other employment supporting uses in a given geography in order to maximize its customer base. Access, visibility and traffic are also very important considerations for retail locations.

**Table 5-1**  
**Retail Market Potential**  
**Greater Roanoke Trade Area**

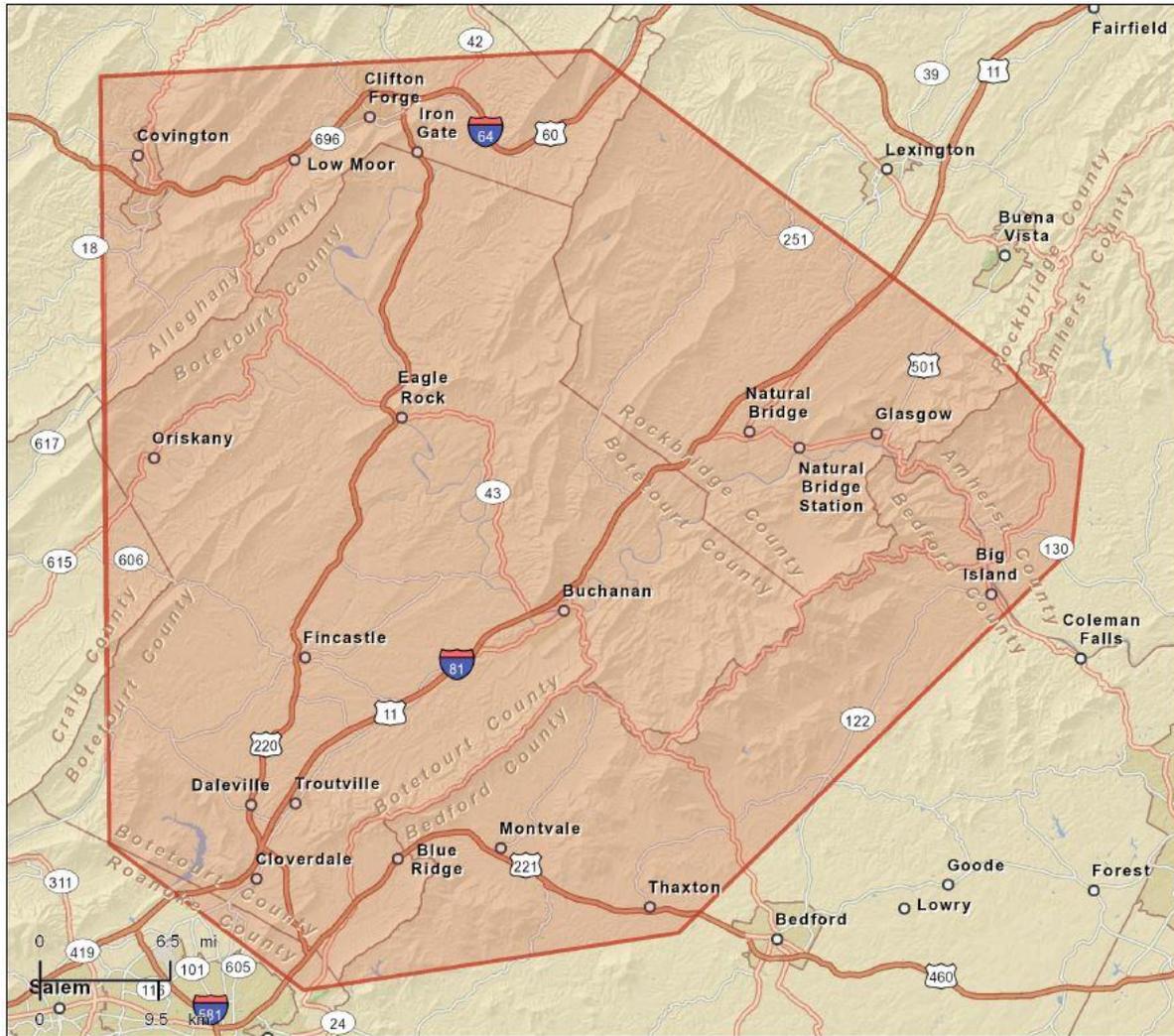
Category	10-Mile Radius	20-Mile Radius	30-Mile Radius
<b>DAILY NEEDS</b>			
Grocery store	\$298,810,854	\$294,421,442	\$392,204,907
Specialty food stores	\$405,914	(\$591,813)	(\$1,495,766)
Pharmacies & drug stores	(\$88,165,549)	(\$128,303,850)	(\$171,697,177)
<b>GENERAL MERCHANDISE, APPAREL, FURNITURE, OFFICE (GAFO)</b>			
General merchandise	\$107,047,532	\$31,914,799	(\$17,352,540)
Clothing & clothing accessories stores	\$32,208,782	\$1,263,916	\$32,991,735
Furniture & home furnishings stores	\$14,575,342	\$13,500,372	\$26,712,965
Electronic & appliance stores	\$11,818,051	(\$187,165)	\$43,957,020
Sporting goods, hobby, musical instruments	\$12,410,910	\$2,763,613	\$27,184,131
Book, periodical & music	(\$13,710)	(\$3,062,573)	\$15,963,487
Building materials, lawn & garden supplies	\$167,744	\$5,285,307	\$46,263,706
Florists	\$472,487	\$167,919	\$858,902
Office supplies, stationery & gifts	(\$9,635,774)	(\$14,759,132)	(\$13,303,648)
Used merchandise	(\$3,553,565)	(\$3,850,839)	(\$4,841,609)
Other miscellaneous store retailers	(\$3,865,315)	(\$6,358,055)	\$3,729,906
<b>AUTOMOTIVE</b>			
Automobile dealers	(\$93,785,714)	(\$120,534,933)	(\$203,009,032)
Other motor vehicle dealers	(\$847,056)	\$2,372,536	\$3,453,803
Auto parts, accessories & tire stores	\$30,889,740	\$25,279,400	\$21,953,793
<b>FOOD SERVICE</b>			
Full-service restaurants	\$24,922,188	(\$1,415,662)	\$37,784,385
Limited service eating places	\$43,515,743	\$17,358,101	\$33,235,904

Source: ESRI Business Information Solutions; RKG Associates

Exit 150 benefits geographically from its location which is only seven miles north of the Roanoke retail hub, but which is in a position to intercept shoppers from a broad area to the north. For the purposes of this analysis, a trade area was selected that naturally feeds into Exit 150 through the existing roadway network, but stops short of the Roanoke and the City of Lynchburg, which is another larger city east of the Exit 150 study area. By isolating and analyzing this trade area, an estimate can be made of retail potential that could be intercepted and otherwise captured by new retail opportunities strategically placed at Exit 150.

The area selected encompasses 1,135 square miles and includes Botetourt County, Southern Rockbridge County, Clifton Forge and Covington in Alleghany County, and Bedford County to the west of Coleman Falls and Bedford (Map 5-3). When the retail market potential analysis is applied to this geography, it clearly shows the net outflow of dollars, most likely into Roanoke. Retail opportunity gaps are evident for all categories except for grocery, within an area that contains an estimated 31,000 households (Table 5-2).

Map 5-3



Source: ESRI Business Solutions 2015

Table 5-2 illustrates the dollar value of retail demand and corresponding supportable square feet, by category that is generated within the area shown on Map 5-3. This is retail demand that is satisfied, in large measure, by the cluster of retail establishments located just south of Exit 150 in the Roanoke retail cluster. However, demand within certain categories, such as pharmacies and drug stores, is more local in nature and a matter of convenience. So while a resident of Fincastle may be more than willing to travel to Valley View Mall to shop for apparel from its broad selection of offerings, they are more likely to prefer filling prescriptions at the local drug store for convenience reasons.

The calculation of supportable retail square feet is based on regionalized average sales per square foot for each category. For example, if the retail gap for General Merchandise in the selected trade area is \$3.2 million and supportable square feet of store space is estimated at just under 5,000 square feet ( $\$3,188,588 \div \$654/\text{SF} = 4,876 \text{ SF}$ ). Of course, these demand numbers must be considered in the context of the market realities of the greater area, and the considerable retail supply just outside of the selected trade area.

The right hand columns of Table 5-2 show ranges of retail square footage that represent the consultant's professional judgement on the ability of the Exit 150 area to capture the demand that is

generated from the selected market area shown in Map 5-3. It is estimated that the Exit 150 study area could support between 140,000 to 215,000 square feet of new retail space (Table 5-2).

**Table 5-2**  
**Retail Market Potential Sales Capture**  
**Greater Botetourt County Trade Area**

Category	Surplus / Gap	Avg. \$/SF	Supportable Square Feet	Exit 150	
				Est. Capture Low	Est. Capture High
<b>DEMOGRAPHICS</b>					
2015 Population	74,989				
2015 Households	30,911				
2015 Median Disposable Income	\$42,661				
2015 Per Capita Income	\$28,745				
<b>DAILY NEEDS</b>					
Grocery store	\$28,533,105		0	0	0
Specialty food stores	(\$943,062)	\$537	1,756	439	878
Pharmacies & drug stores	(\$45,354,639)	\$452	100,342	15,051	25,086
<b>GENERAL MERCHANDISE, APPAREL, FURNITURE, OFFICE (GAFO)</b>					
General merchandise	(\$3,188,588)	\$654	4,876	488	731
Clothing & clothing accessories stores	(\$43,896,173)	\$249	176,290	5,289	8,814
Furniture & home furnishing stores	(\$8,139,889)	\$235	34,638	0	0
Electronic & appliance stores	(\$14,769,909)	\$306	48,268	4,827	12,067
Sporting goods, hobby, musical instruments	(\$15,566,842)	\$283	55,007	22,003	33,004
Book, periodical & music	(\$3,872,518)	\$232	16,692	1,669	3,338
Office supplies, stationary, gift stores	(\$5,644,611)	\$294	19,199	4,800	7,680
Building materials, lawn & garden supplies	(\$13,021,962)	\$373	34,911	12,219	17,456
Florists	(\$578,055)	\$190	3,042	2,282	3,042
Used merchandise	(\$957,287)	\$283	3,383	846	1,691
Other miscellaneous store retailers	(\$5,697,963)	\$254	22,433	5,608	11,216
<b>AUTOMOTIVE</b>					
Automobile dealers	(\$119,939,747)	N/A	0	N/A	N/A
Other motor vehicle dealers	(\$8,362,392)	N/A	0	N/A	N/A
Auto parts, accessories & tire stores	(\$8,929,202)	\$283	31,552	22,086	28,397
<b>FOOD SERVICE</b>					
Full-service restaurants	(\$17,694,669)	\$463	38,217	19,109	28,663
Limited service eating places	(\$21,088,841)	\$576	36,613	25,629	32,951
<b>TOTAL</b>			627,218	142,344	215,015
Source: ESRI Business Information Solutions; RKG Associates			<b>Capture Rate</b>	<b>22.7%</b>	<b>34.3%</b>

This recognizes the fact that although the amount of supportable square footage is closer to 627,000 SF, Exit 150 will not be able to intercept every shopper traveling to Roanoke to shop. In fact, RKG estimates that between 33.7% and 34.3% of that amount could be captured at Exit 150 provided the right retail offerings were present at that location.

The following analysis examines the implications of the retail market potential by category as presented in Table 5-2 in the context of the broader trade area's supply and demand characteristics.

- Although the area has an oversupply of **grocery stores**, the potential for the entry of a new player into the local market should not be discounted. Some national chains are in aggressive

expansion modes, and may exploit what they perceive to be weaknesses in the marketplace, at the expense of poorly positioned or underperforming stores.

- National chain **pharmacies & drug stores** are very selective about location, which may explain the relatively high opportunity gap for this category. Based on average store sizes of 10,000 to 15,000 square feet, an additional six to seven stores could potentially be supported in the selected trade area from a dollar demand standpoint. However, a host of other factors influence location decisions. National chains like CVS, Rite Aid and Walgreens almost exclusively demand hard corner locations with premier visibility and generous access on one to two acres of land. The rural nature of much of the selected trade area may preclude certain locations, causing concentrations of drug stores in more populous areas. However, if the consumer must make a special trip to purchase such convenience staple goods as food and drug items, they want the store to be close to home. The Exit 150 area is conveniently accessed from a large area, and the potential capture of 15,000 to 25,000 square feet in this category suggests a market that could support at least one more national chain store
- A \$3.2 million gap in **general merchandise** is small, suggesting much of this demand is met within the selected trade area. The *Walmart Super Center* in Bonsack represents the most significant retailer in this category within the selected trade area. These stores are typically 175,000 to 225,000 square feet, and are positioned to draw from a broad market area. Value-oriented, general merchandise stores like *Dollar General*, *Dollar Tree* and *Family Dollar* typically cater to a very local market, with average store sizes of 8,000 to 9,000 square feet. A Dollar General store is currently located in the Mountain View Plaza shopping center within the study area. The modest potential capture of 500 to 700 square feet suggests support for a small, inline retailer in this category.
- The study area shown on Map 5-2 accounts for 16% of the total demand of \$296 million for **clothing and clothing accessories** within the 30-mile radius of Valley View Mall. Converted to supportable retail space, the \$43.9 million in demand from this area could support just over 176,000 square feet of new store space; roughly the equivalent of a major department store such as Macy's. Of course, this demand is largely being satisfied by existing stores in the overall 30-mile radius, but nonetheless provides the opportunity for capture if placed in a convenient location with easy access and high visibility. An adjusted potential capture of between 5,000 and 9,000 square feet acknowledges the strong regional mall competition within the marketplace, but suggests a well-positioned store could succeed by appealing to convenience.

Investors in specialty centers such as fashion centers and outlet malls often seek to locate in major interchange areas with high traffic counts, high visibility and convenient access. To the degree that a suitable piece of property presents itself for this use, it should not be discounted as a possibility in the future.

- Valley View Mall hosts three large **furniture & home furnishing** stores, *Ashley Furniture HomeStore*, and *Grand Home Furnishings*. A second *Ashley Furniture HomeStore* is located in Hollins, and a *Grand Home Furnishings* is located in the Tanglewood Mall in Roanoke. Furniture and home furnishings are offered for sale in many major department stores as well, so consumers have a broad range of choices in this category. National chain furniture stores typically range in size from 30,000 to 50,000 square feet. Although the selected trade area shows support for an additional 35,000 square feet of furniture & home furnishings, there are considerable surpluses in supply within the 10-, 20- and 30-mile radii, constraining the prospects for additions to inventory.
- Analysis shows a \$14.8 million opportunity gap for **electronics and appliances** within the selected trade area. This translates into dollar support for 48,000 square feet of retail space,

which falls within the 30,000 to 56,000-square foot range of a *Best Buy* store. This market is extremely competitive however, and consumers have many store options to choose from including specialty retailers such as *Best Buy* and *HH Gregg*, major department stores, discount department stores, small format regional chains, and mom and pop stores. Smaller stores, such as *Radio Shack*, are decreasing in number as they reorganize under bankruptcy to remain competitive, and are offering more products for sale online. Similar to furniture & home furnishings, the overall surplus in supply diminishes the prospects for new inventory on the electronics side, but the potential exists for a locally serving small format appliance store between 5,000 to 12,000 square feet.

- Major **sporting goods** stores in the local marketplace include Dick's Sporting Goods at Valley View Mall and the Gander Mountain outdoor store at Exit 146. During the course of the work program, it was brought to the consultant's attention that the Bass Pro Shop, a popular and successful national retailer of outdoor sporting goods, had made inquiries and had showed some interest in the Exit 150 area. Of course, it is common for retailers to conduct on-the-ground reconnaissance of potential sites, of which many are surveyed but few are chosen. Although the study area also has characteristics that are desirable for destination sporting goods stores such as Bass Pro and Cabela's (a similar retailer), their respective decisions to locate further southwest along I-81 in Bristol may preclude further consideration of Exit 150 as a potential location. However, potential capture in this category is estimated to be between 22,000 and 33,000 square feet, and the Exit 150 area could still hold appeal to smaller format stores of this kind.
- In a proper retail environment that offers ample pedestrian traffic among diverse retail offerings, a **book, periodical or music** store may find success. It is estimated that the Exit 150 area could potentially capture between 1,600 and 3,400 square feet in this category, suitable for an in line store in a shopping center.
- Stores specializing in **office supplies** such as *Staples* and *Office Depot* have faced strong pressure from discount stores, supercenters, warehouse clubs and online retailers. Since office supplies are not typically subject to impulse buying, it is not the type of retail use that has the ability to capture convenience shoppers. Even in an area with an evident undersupply, the static nature of the business and external competition diminishes its potential in the marketplace. It is estimated that the Exit 150 area has the potential to capture between 4,800 and 7,700 square feet in this category, because business and consumers do not typically drive a long distance to obtain office supplies.
- Major **building materials, lawn and garden supplies** retailers such as *Home Depot* and *Lowe's* have well established presences in the greater Roanoke marketplace. There are four *Home Depots*, four *Lowe's* stores, and five *True Value Hardware* stores in the Roanoke metro area, and an additional *Lowe's* in Bedford. There is also a *Tractor Supply* store at Exit 146 off I-81. However, Exit 146 represents the northernmost location of these stores until Lexington. Analysis shows dollar support for about 35,000 square feet in this category from the local trade area, which is at the low end of the size range between *True Value* (avg. 12,000 square feet) and *Home Depot* (100,000 square feet). Many small purchases from these types of stores, and can range from under \$1 for small hardware items such as bolts and screws to \$10 to \$20 for a hammer, often making convenience a major consideration. It is estimated the Exit 150 area has the potential to capture between 12,000 and 17,500 square feet in this category, which could accommodate a typical *True Value* or *Ace* hardware store.
- There are over 20 national chain **auto parts** stores in the greater Roanoke marketplace, which include *Auto Zone*, *O'Reilly*, *Napa*, and *Advance Auto*, whose nearest location to Exit 150 is Daleville. Covington, Clifton Forge, and Bedford each have *Napa Auto Parts* stores, and

Covington has an *Advance Auto* store. Over a dozen tire stores are clustered in and around Roanoke, including national retailers such as *Merchant's Tire*, *Firestone Complete Auto* and *National Tire and Battery*. Most auto parts stores range in size from 6,000 to 10,000 square feet. Although the opportunity gap analysis shows support for about a half-dozen new auto parts stores coming from the selected trade area, it should be noted that convenience and proximity to stores are key factors to their support, and the regional trade area is oversupplied. Based on Exit 150's accessibility and central location, it is estimated the area could support an additional 22,000 to 28,000 square feet in this category, but at least a single new national chain store.

- Other types of retail categories such as **florists, used merchandise, and miscellaneous** could find success as on-line stores in a shopping center environment in a heavily trafficked location. These are typically items that people prefer to have within short driving distance from their home or business and thus they would be less inclined to drive to the Roanoke market.
- **Restaurants** fall under two classifications, full service and limited service. Full service restaurants typically offer a wide selection of food and beverages, table service, and payment at the end of the meal. Limited service restaurants ("fast food") are establishments whose patrons generally order items and pay before eating. Food and drink may be consumed on premises, taken out, or delivered.

Limited service restaurants such as Chick-Fil-A and McDonalds range from 3,000 square feet to 4,200 square feet in floor area and require 1.00 to 1.25 +/- acres. Full service restaurants such as Applebee's and IHOP average about 5,000 square feet in size and require 1.40 +/- acres of land.

Many national chain restaurants, whether full or limited service, seek out interchange locations in order to capitalize on transient traffic and hotel guests, with access and visibility as key considerations. Conversely, travelers often seek out national chain restaurants because they are easily recognized and have reliable quality. With traffic counts on I-81 in the range of 39,000 to 51,000 a day, the Exit 150 interchange will remain attractive to restaurant operators as long as appropriate sites in a suitable environment are available. It is estimated the Exit 150 area could support several new full- and limited-service restaurants, depending on the right site location and access.

### 3. **BrandScore® Retail Category Report**

BrandScore is a proprietary technology that combines local demographics, consumer preferences and retail synergies to produce a single numeric measure representing the business potential and location quality of specific retail locations for each of the 3,000+ chain store operations contained in their database. BrandScore measures the degree to which a specific retail brand is likely to succeed in a given location, based on four components. The components, in turn, are based on the key factors that drive sales performance:

- **Neighborhood:** The core premise of the Neighborhood component is that retailers will generally perform better in locations where the trade area contains many households that use or prefer a specific brand versus neighborhoods where those customers are infrequent or not present. To achieve a high score, the location must have a healthy proportion of potential brand users living in the surrounding trade area.

- Retail synergy:** Retail Synergy is a concept that was one of the core principles underlying the development of the modern shopping center. Instead of driving all over town to visit multiple retailers, the concept was to put them under a single roof or in close proximity. Retail synergy comes from increased drawing power, additional customers, linked errands, and linked lifestyle behaviors.
- Competitive environment:** The Competitive Environment component refers to the general economic health of the retail environment where the property or center is located. Health is defined by supply and demand, as well as economic conditions in the market that offer positive or negative support for various retailers. The Competitive Environment component of the overall score first looks at relative supply and demand together with local or market level economic trends.
- Commercial environment:** The term Commercial Environment describes all of the customer sources in the trade area or local retail district that are likely to bring a supply of people into contact with the retailers or restaurants in the area. These customer groups include: shoppers and diners, employees, traffic on local streets, entertainment facilities, public transportation hub, and, special populations such as tourists, schools, military and others.

**Table 5-3**  
**BrandScore Grades**  
**Greater Botetourt County Trade Area**

Category	Average Score
<b>DAILY NEEDS</b>	
Grocery store	C
Convenience stores	C+
Pharmacies & drug stores	C-
<b>GENERAL MERCHANDISE, APPAREL, FURNITURE, OFFICE</b>	
General merchandise	
Department stores	C
Dollar/variety stores	C-
Supercenters, warehouse clubs	C
Apparel	
Children's	D-F
Men's	C-
Women's	C
Specialty	C-
Shoe stores	C-
Jewelry	C
Furniture & home furnishing stores	C
Electronic & appliance stores	C-
Wireless communications	C-
Sporting goods	C
Hobby, art supplies, crafts	C-
Book, periodical & music	C-
Office supplies	C-
Building materials, lawn & garden supplies	B
Rental centers	C-
Beauty Salons	C
Health clubs, gyms	C-
Movie theaters	C
Other miscellaneous store retailers	C-
<b>AUTOMOTIVE</b>	
Auto parts, accessories & tire stores	C-
<b>FOOD SERVICE</b>	
Full-service restaurants	C+
Limited service eating places	C

Source: BrandScore; RKG Associates 2015

The BrandScore grade hierarchy is as follows: A, excellent location; B, good location; C, fair or average location; D/F, poor location.

The BrandScore analysis is based on a centroid located at the intersection of U.S. 220 and Route 11. As Table 5-3 shows, the Exit 150 area received a fair or average location rating for most of the retail categories, with the exception of building materials, lawn and garden supplies which received a good location rating and children's apparel which received a location poor rating. Of course, BrandScore has access to the same information contained in Tables 5-1 and 5-2, so the competitive environment factor likely weighed heavily in the grading. The detailed report is contained in Appendix A.

#### **4. Impact of Traffic and Travel**

Exit 150's ability to draw spending from travelers on I-81 is well documented. The area offers basics such as food, lodging and fuel to commercial and leisure travelers alike. The hotel properties at Exit 150 capture travelers and visitors to the area for overnight stays, providing opportunities for retail, food & beverage, and automotive spending. The hotel cluster at Exit 150 presently comprises five economy/midscale lodging properties with a total of 442 guest rooms and two upper midscale lodging properties with a total of 160 guest rooms.

Based on the findings of the Hotel Analysis in Chapter 6 of this report, it can be concluded that the Exit 150 hotel cluster supports 110,450 room nights per year. This translates into 110,450 guest days per year, providing opportunities for a captive population to eat, drink, buy fuel and sundries, and shop for merchandise if convenient.

According to VDOT, estimated average daily trips at Exit 150 in 2014 were as follows:

- I-81, 45,000 ADT (average of north and south bound traffic);
- US 220, 30,500 ADT (average of east and west bound traffic);
- Route 11 - 8,800 ADT (average of north and south bound traffic).

The traffic on I-81 is comprised of 27% truck traffic, and 73% automobile traffic that includes transient travelers and local commuters. Traffic on US 220 and Route 11 is likely comprised of local and regional traffic. Nonetheless, the traffic through the Exit 150 area is considerable. Some transient travelers may choose to enter the Exit 150 area to fuel their automobiles, take a meal, and move on, as would many local commuters and residents. In order to quantify just how many casual daytime consumers purchase in the area, we can examine convenience store trends. According to the convenience store industry advising firm Gilbarco Veeder-Root, convenience stores average 277 customers per day, 69% of who are gas only customers. If each of the six gas station/convenience stores attract 277 customers per day, the study area attracts a total of 1,662 per day, or 606,630 annually. Added to the 110,450 lodging guests, there are over 700,000 transactions per year in the area for lodging, fuel, sundries and snacks. Additional transactions at restaurants and other retail establishments may move this number closer to 1,000,000.

#### **5. Conclusions**

The Exit 150 area resides in a marketplace that is served by a regional retail cluster in Roanoke that is easily accessible from I-81. This retail cluster attracts a net inflow of dollars from within a 20-mile radius, and is enhanced by smaller retail clusters in Blacksburg and Lynchburg within a 30-mile radius. Therefore, Exit 150's ability to support retail development will largely depend on its ability to capture the demand within the trade area in Map 5-3, as well as the high volume of transient and commuter traffic that flows through the interchange from various directions.

On the east side of I-81, new retail opportunities are constrained by the existing development pattern and lack of developable land suitable for retail development. On the west side of I-81, the challenge will be to identify and develop parcels that have the capacity, access and visibility to draw from both the resident trade area and transient and commuter traffic. While some sites have desirable locations, they lack direct road access or will need a signalized intersection to function as a retail site. This will create challenges in the future to realize this potential.

The access and visibility of Exit 150 area provide good potential for additional retail that can capitalize on the existing activity supported by the local and transient demand. These same characteristics could potentially make it a viable location for destination retail, such as a specialty retail, or "outlet" center. Outlet centers often specialize in in specific categories of merchandise, such

as apparel (e.g., Leesburg Premium Outlets, Williamsburg Outlet Mall), household goods (e.g., Williamsburg Pottery) or some other category, such as furniture. Specialty centers typically seek out areas with high visitation such as Williamsburg, Virginia or interchanges on highly travelled interstates such as I-81. A unique shopping environment with exclusive offerings could also have the effect of diverting regional demand from the traditional retail clusters. A summary of market supportable retail opportunities is contained in Table 5-4.

**Table 5-4**  
**Exit 150 Market Study and Conceptual Master Plan**  
**Market Supportable Development Opportunities**

<b>RETAIL MARKET POTENTIAL</b>		
<b>Use</b>	<b>Quantity</b>	<b>Requisite Conditions</b>
Auto parts	22,000 to 28,000 SF 1 to 2 stores	Convenience
Florists, used merchandise and miscellaneous	9,000 to 16,000 SF 4-8 stores	In shopping center environment
Full- and limited-service restaurants	20,000 to 30,000 SF 4-8 establishments	Suitable visibility, access and environment. National chains
Electronics and appliances	5,000 to 12,000 SF 1 store	Convenience, access and visibility
Sporting goods	22,000 to 33,000 SF 1 store	Suitable visibility and access
Office supplies	4,800 to 7,000 SF 1 store	Convenience
Building materials, lawn and garden supplies	12,000 to 17,500 SF 1 store	Convenience
Groceries	Upgrade offerings but no new stores	Perceived weakness in the marketplace
Pharmacies & drugs	15,000 to 25,000 SF 1 store	Convenience, access and visibility
General merchandise	500 to 700 SF; 1 store	Convenience
Clothing and clothing accessories	5,000 to 9,000 SF 1-2 store	Convenience, access and visibility
<i>Specialty retail (fashion center/outlet mall)</i>	100,000 to 150,000 SF Multiple Stores	Suitable visibility and access Must be unique retail destination in the marketplace
<i>Subtotal SF - Retail</i>	215,000 to 328,000 SF	Assumes suitable sites can be made available
<b>HOTEL MARKET POTENTIAL</b>		
Upper midscale hotel	80 to 150 rooms; 1-2 new or repositioned	Suitable visibility, access and environment; transient stopping point
<b>MULTI-FAMILY RESIDENTIAL MARKET POTENTIAL</b>		
Apartments and townhouses	25 to 50 average annual units	Access and environment, Lack of local housing choices

Source: ESRI Business Solutions; RKG Associates

# 6 HOTEL MARKET ANALYSIS

## A. INTRODUCTION AND METHODOLOGY

Exit 150 has a very active hotel market and reflects its desirable location on one of the busiest interstate highways in the eastern U.S. There are currently nine hotels in the Exit 150 study area, and many more others on and off the I-81 interchanges to the north and south of Exit 150. For the purposes of this analysis, a very specific trade area was examined, which comprises the four interchanges from Exit 150 to the north, down to Exit 141 in Salem, within a ten-mile corridor. Only hotels near the interstate were included, since downtown or airport area hotels cater to a different demand profile than the interstate, which attracts more transient travelers according to hotel operators interviewed for this analysis. This is the competitive market for Exit 150 hotels and motels.

To perform this analysis, RKG utilized data collected by Smith Travel Research (STR). Smith Travel is a private data vendor that collects and reports on hotel occupancy and room rate data from hotels and motels across the United States. The data are collected and presented as a series of monthly and daily trends dating back five years.

Hotels in the selected Exit 150 trade area generally fall into two categories: (1) *economy/midscale*, which represents the lower 40% average room rates and offers few amenities; and, (2) *upper/midscale*, which represents the middle 30% average room rates and offers amenities such as a pool, exercise room, small business center, and complimentary breakfast (Table 6-1).

**Table 6-1**  
**Competitive Hotel Supply**  
**Exit 150, Botetourt County, VA**

Name of Establishment	Location	Year Opened	Rooms
<b>UPPER MIDSCALE</b>			
Fairfield Inn & Suites Roanoke North	Roanoke	2006	76
Country Inn & Suites Roanoke	Roanoke	1996	77
Hampton Inn Roanoke Hollins I 81	Roanoke	1998	99
Holiday Inn Express & Suites Salem	Salem	2009	75
Comfort Inn Troutville	Troutville	1985	75
Holiday Inn Express Troutville Roanoke	Troutville	2009	85
<b>ECONOMY/MIDSCALE</b>			
Days Inn Roanoke Airport	Roanoke	1975	123
Motel 6 Roanoke	Roanoke	1972	79
Howard Johnson Roanoke	Roanoke	1980	120
Super 8 Roanoke	Roanoke	1987	58
Quality Inn Roanoke Airport	Roanoke	1971	161
Super 8 Daleville	Daleville	1970	71
Howard Johnson Roanoke Daleville	Daleville	1966	98
La Quinta Inns & Suites Salem	Salem	1997	67
Baymont Inn & Suites Salem Roanoke	Salem	1972	115
Red Roof Inn Roanoke Troutville	Troutville	2002	86
Motel 6 Troutville	Troutville	1987	105
Quality Inn Troutville	Troutville	1995	82

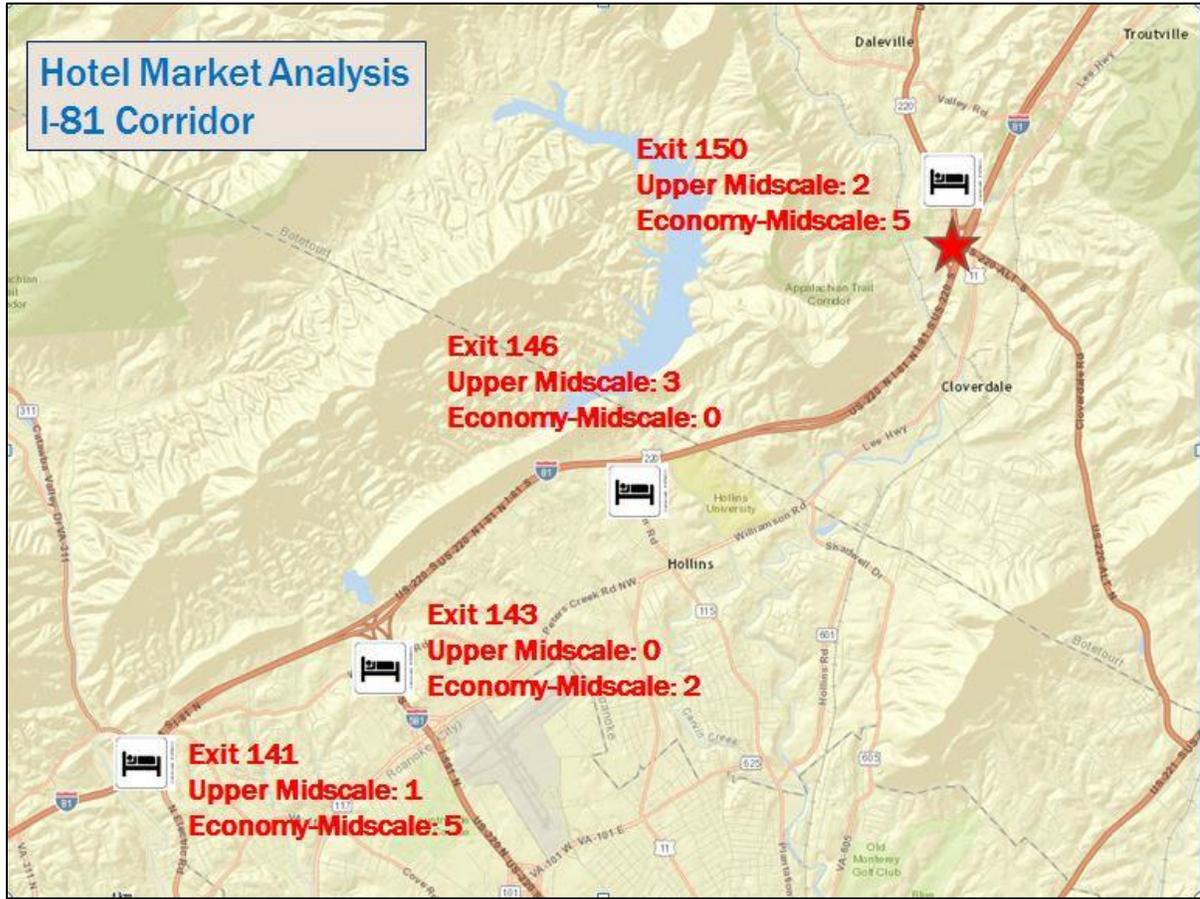
Source: Smith Travel Research 2015

## B. COMPETITIVE HOTEL SUPPLY

According to STR, there are six upper/midscale hotels comprising 487 guest rooms in the selected study area, as well as twelve hotels in the economy/midscale category offering 1,165 hotel rooms (Table 6-1). All the economy/midscale hotels and motels were constructed between 1966 and

2002, with almost all of them constructed more than 25 years ago. The upper/midscale properties are newer, with most of them constructed within the past 20 years and they are of better quality and more contemporary design. Map 6-1 shows how the subject properties are distributed along the I-81 corridor.

Map 6-1



Source: Smith Travel Research

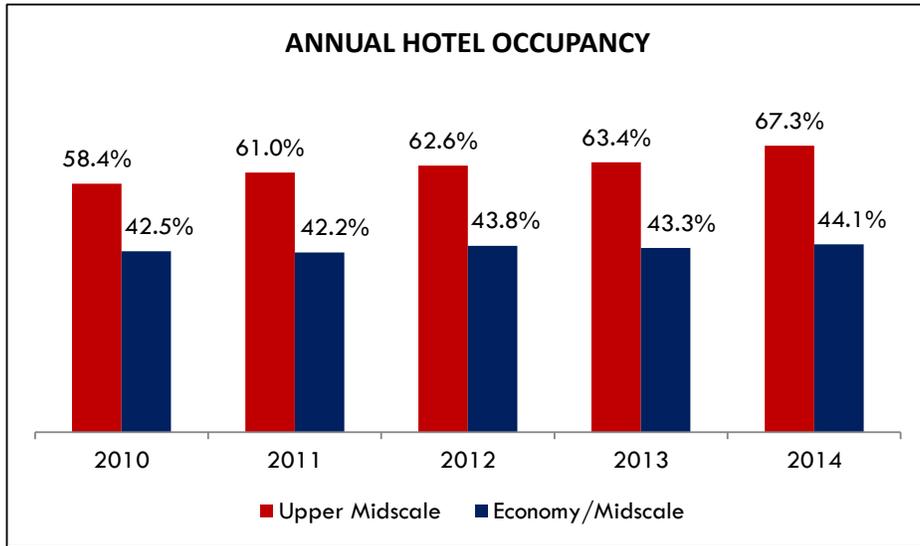
### C. HOTEL OCCUPANCY TRENDS

Hotel occupancy is the percentage of room nights that are sold during a specified period of time, and is a key indicator of hotel performance within a specific market. Hotel supply is expressed as room nights, or the number of available rooms multiplied by the days of the year (365). This number fluctuates as hotels undergo renovation, new product comes on line, and older or underperforming hotels/motels are taken out of service. The selected trade area has not had any change in the inventory since 2009, so the data reflect market trends for a lodging inventory that is consistent throughout the five-year study period. It should be noted that not every hotel/motel operator reports their performance data to STR. As such, the analysis contained in this section only reflects those hotels/motels that have consistently reported their data to STR.

Annual occupancy rates markedly improved for the upper/midscale stock, steadily rising from 58.4% in 2010 to 67.3% in 2014. The economy/midscale market has not performed nearly as well as the upper/midscale, rising from 42.5% annual occupancy in 2010 to a paltry 44.1% in 2014. Of course, the economy/midscale inventory is nearly two and one-half times the upper/midscale, at 1,165 rooms

compared to 487 rooms, but the newer (three new properties developed since 2006) *upper/midscale* product has clearly established a strong position in the market with regard to customer preferences (Figure 6-1). It's important to note that hotel investors will typically wait until occupancy rates rise to at least 65% before considering adding new product to a market. At 67.3%, the *upper/midscale* hotels in this market appear to be performing at a level that would support additional hotel rooms. This is not the case for the lower performing *economy/midscale* establishments in the corridor.

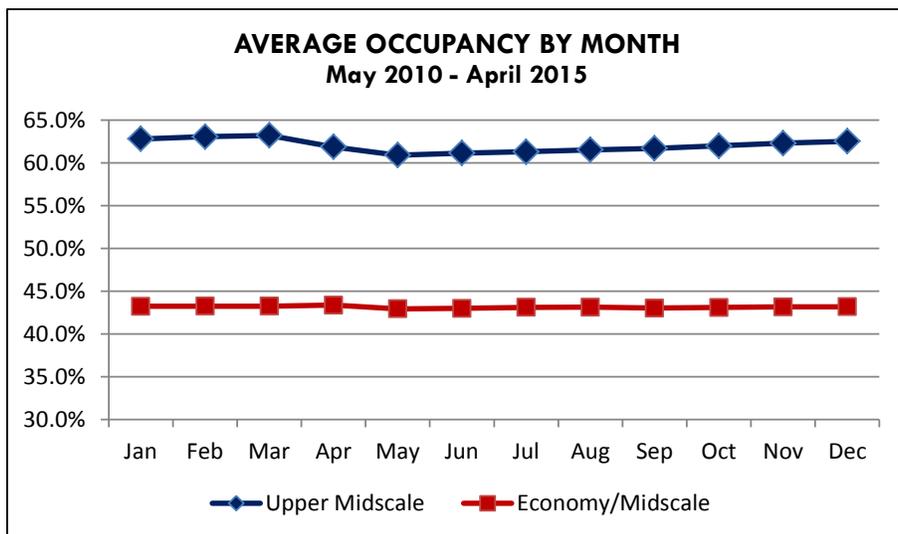
Figure 6-1



Source: Smith Travel Research 2015

Monthly occupancy data for the hotels in the market sample show a relatively non-seasonal marketplace with no discernable peaks or valleys. Monthly occupancy trends for the *upper/midscale* class show slightly higher occupancy in the fall/winter months, ranging from 62.0% in October to 63.2% in March, compared to a spring/summer range of 60.9% in May to 61.7% in September. This may be related to an increase in occupancy from the business/corporate travelers segment during the fall and winter months. The *economy/midscale* class occupancies stayed remarkably steady through the months, ranging from 42.9% to 43.2% (Figure 6-2).

Figure 6-2

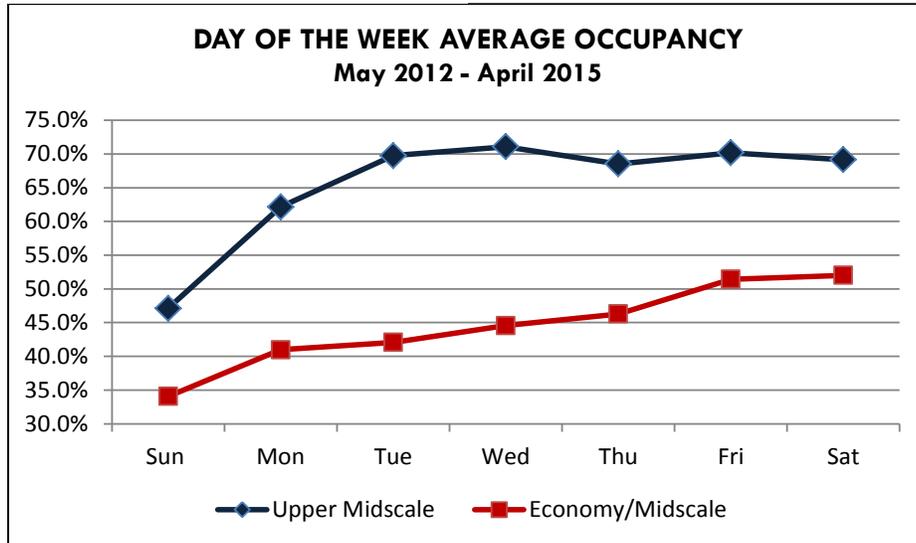


Source: Smith Travel Research 2015

Daily occupancies vary between hotel classes, and confirm that the *upper/midscale* class is the preferred choice for the business/corporate travelers segment whose peak day is Wednesday, when average occupancy reaches 71.1%. The *upper/midscale* class attracts its share of leisure travelers as well, maintaining a healthy occupancy of 70.3% on Friday and 69.2% on Saturday, before dipping down to 47.1% on Sunday, the lowest performing day of the week.

The *economy/midscale* class clearly exhibits different day of the week performance characteristics than the *upper/midscale*, with occupancy rates ranging from a Sunday weekly low of 34.1% to Saturday weekly high of 52.05, indicating leisure traveler activity over the weekends (Figure 6-3).

Figure 6-3



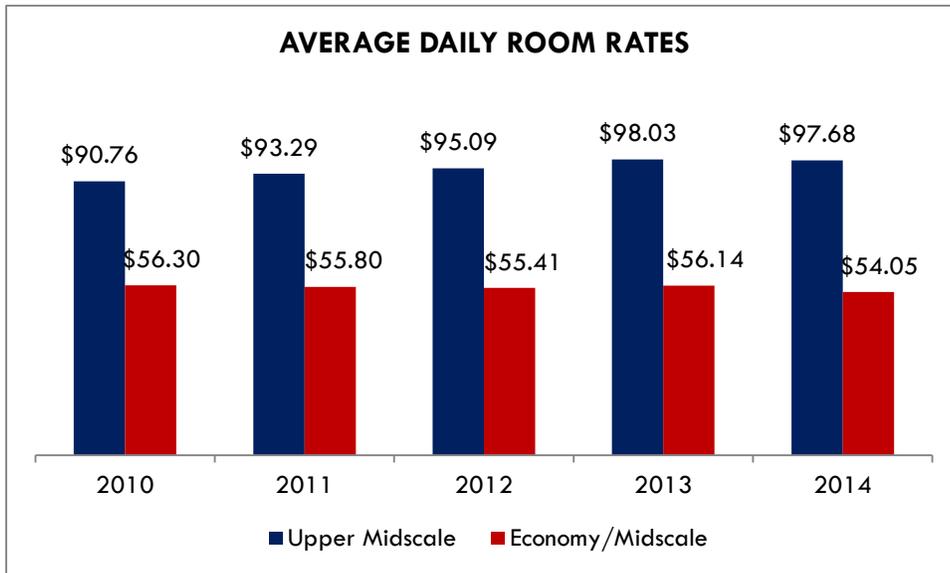
Source: Smith Travel Research 2015

#### D. ANNUAL OPERATING CHARACTERISTICS

The average daily room rate (ADR) is the total room revenue divided by the number of rooms sold. Upward trends in the ADR indicate a strengthening market, while downward trends indicate a weakening or over-supplied market. During the five-year period of 2010-2014, the *upper/midscale* class showed steady improvement from 2010, as the average daily rate increased from \$90.76 to \$98.03 in 2013. The *upper/midscale* ADR dropped slightly to \$97.68 in 2014 (Figure 6-4).

The *economy/midscale* class has shown fluctuations over the five-year period from a high of \$56.30 in 2010 down to a five-year low of \$54.05 in 2014. This pattern shows a market segment that is clearly struggling to improve performance, and may be related to the fact that six of the twelve properties in this class were developed in 1975 or before, and at least one *economy/midscale* property is currently under renovation in the Exit 150 area.

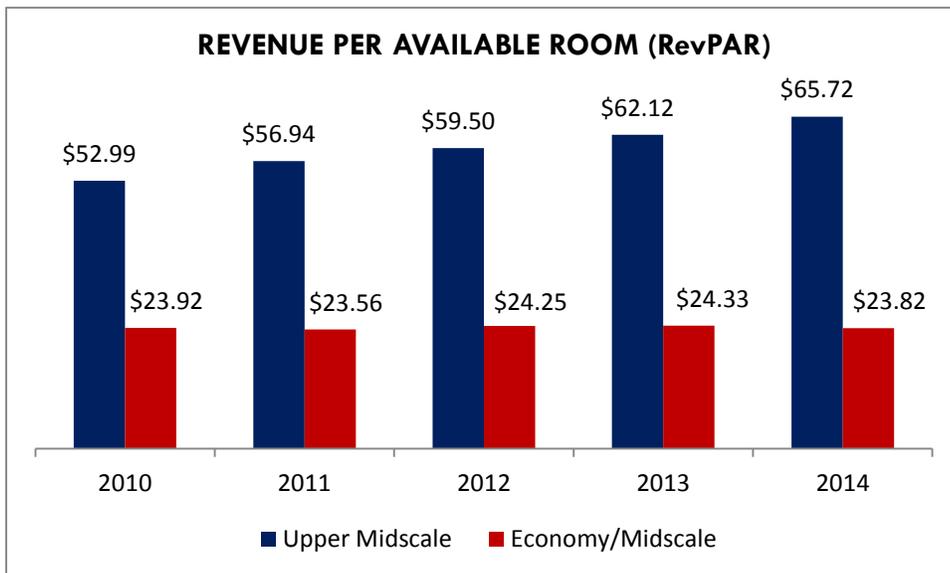
Figure 6-4



Source: Smith Travel Research 2015

Revenue per available room, or RevPAR, is one of the most important measurements in the hotel industry for measuring hotel efficiency. In contrast to average room rates, which reflect the average daily rate charged for occupied rooms, RevPAR is a measure of average revenues per available room-night throughout the entire year. While the average room rate only measures current market pricing, without regard to the effectiveness of that room rate, RevPAR measures the efficiency of renting hotel rooms during low occupancy periods. Therefore, hotels with high room rates may experience lower occupancy, resulting in lower RevPAR rates, while more aggressively priced competitors with higher occupancy rates will achieve a higher RevPAR and greater operating efficiency.

Figure 6-5



Source: Smith Travel Research 2015

In 2010, RevPAR for the upper/midscale class was \$52.99, which steadily increased on an annual basis to \$65.72 by 2014, which shows this market segment gaining in strength. In the economy/midscale segment, RevPAR was \$23.92 in 2010, peaked at \$24.33 in 2013, and settled back to \$23.82 in 2014, which is consistent with occupancy rates. Tables 6-2 and 6-3 summarize the annual operating characteristics for the upper/midscale and economy/midscale classes examined for this analysis, respectively.

**E. IMPLICATIONS**

The outlook for the U.S. lodging industry continues to be extremely strong, according to the recently released June 2015 edition of PKF Hospitality Research's *Hotel Horizons*. A limited amount of new hotels have come on the market since the great recession in 2009, which indicates pent up demand. From 2011 through 2014, the annual changes in lodging supply for the nation were less than 1.0 percent. Nationwide, the lodging supply is forecast to grow by 1.8 percent in the next five years, and up to 3.1 percent in some markets.

An annual occupancy rate of 65% is healthy by industry standards, and a sustained occupancy that exceeds 65% generally attracts investor interest and triggers the planning process for expansion of supply. Clearly, the upper/midscale class is the study area's dominant market segment, with a five-year sustained growth in RevPAR and occupancy exceeding 62% and on the rise since 2011.

Exit 150 offers the first significant hotel cluster on southbound I-81 from Lexington, 40 miles away, which puts it in a strategic location for lodging targeted to the leisure traveler and transient segments. Indeed, among the four interchanges in the trade area selected for analysis, Exit 150 has the most lodging properties at nine, followed by Exit 141 with eight.

Each of the four hotel clusters between Exit 150 and Exit 141 have shown the ability to attract and sustain lodging. Interestingly, both Exit 141 in Salem and Exit 150 saw the delivery of new Holiday Inn Express hotels in 2009, adding 75 and 85 rooms, respectively. If and when lodging operators start to seriously consider investing in the greater Roanoke market, they will evaluate the pros and cons of various locations and make a decision that is in their best interest. While the Exit 150 area certainly qualifies as a viable candidate for a new lodging property from a market perspective, evidence of support in the local market is only one element in the investment decision process.

In addition, the lower performance of the economy/midscale motels operating within the I-81 corridor market could indicate that either there is an over-supply in this specific segment, or the condition of these properties is insufficient to attract higher occupancy levels. According to a local hotel operator in the Exit 150 area, 60% of daily hotel room night demand comes from transient or "same day" reservations. This means that Exit 150 hotel properties are getting most of their operating revenues from daily transient demand rather than advanced reservations. This is largely a function of their highway location and the fact that Botetourt County is not an end destination in and of itself. Increasing hotel room night demand from advanced reservations, for example regional softball tournaments, would be one way to increase hotel room night demand at Exit 150. According to one

**Table 6-2  
 Upper Midscale Hotel Market Annual Operating Characteristics  
 I-81 Exit 150/Exit 141 Corridor**

	2010	2011	2012	2013	2014
Properties	6	6	6	6	6
Rooms	487	487	487	487	487
Occupancy	58.4%	61.0%	62.6%	63.4%	67.3%
Avg. Room Rate	\$90.76	\$93.29	\$95.09	\$98.03	\$97.68
RevPAR	\$52.99	\$56.94	\$59.50	\$62.12	\$65.72

Source: Smith Travel Research 2015

**Table 6-3  
 Economy-Midscale Hotel Market Annual Operating Characteristics  
 I-81 Exit 150/Exit 141 Corridor**

	2010	2011	2012	2013	2014
Properties	12	12	12	12	12
Rooms	1,165	1,165	1,165	1,165	1,165
Occupancy	42.5%	42.2%	43.8%	43.3%	44.1%
Avg. Room Rate	\$56.30	\$55.80	\$55.41	\$56.14	\$54.05
RevPAR	\$23.92	\$23.56	\$24.25	\$24.33	\$23.82

Source: Smith Travel Research 2015

hotel operator, the level of truck congestion and lack of pedestrian amenities (e.g., lack of sidewalks, pedestrian crossings, etc.) at Exit 150 has discouraged some hotel guests from staying in local hotels and this business has been lost to Exit 146 in Roanoke. However, in the future that could be corrected through the removal of the truck stop, the redevelopment of underperforming properties and aesthetic and functional improvements to the streetscape and pedestrian environment.

The market data indicate that the Exit 150/Exit 141 corridor study area has experienced consistent lodging demand increases over the past five years. The continued economic recovery and natural market growth have poised this market area for additional supply absorption. The occupancy for upper/midscale hotels is approximately 67% for 2014, within the industry standard for supply expansion planning. The upper/midscale hotel profile for the study area is just over 80 guest rooms, on average. If a new 80-room lodging property was delivered into the study area under current market conditions, upper/midscale occupancy would drop to approximately 58% if all other market indicators remained constant, which may preclude additional investment until a 62% or higher occupancy is achieved. What is more likely to occur is that the value alternative properties would bear the brunt of the competitive impact.

Potential hotel owner/operators will consider a host of factors when contemplating the investment in a new lodging property, such as availability and desirability of land, asking price of land, access and visibility, predominant demand segment and demand drivers, available amenities such as restaurants and convenience retail, and other considerations. Exit 150's ability to successfully attract new lodging will depend upon the convergence of these factors under favorable market conditions.

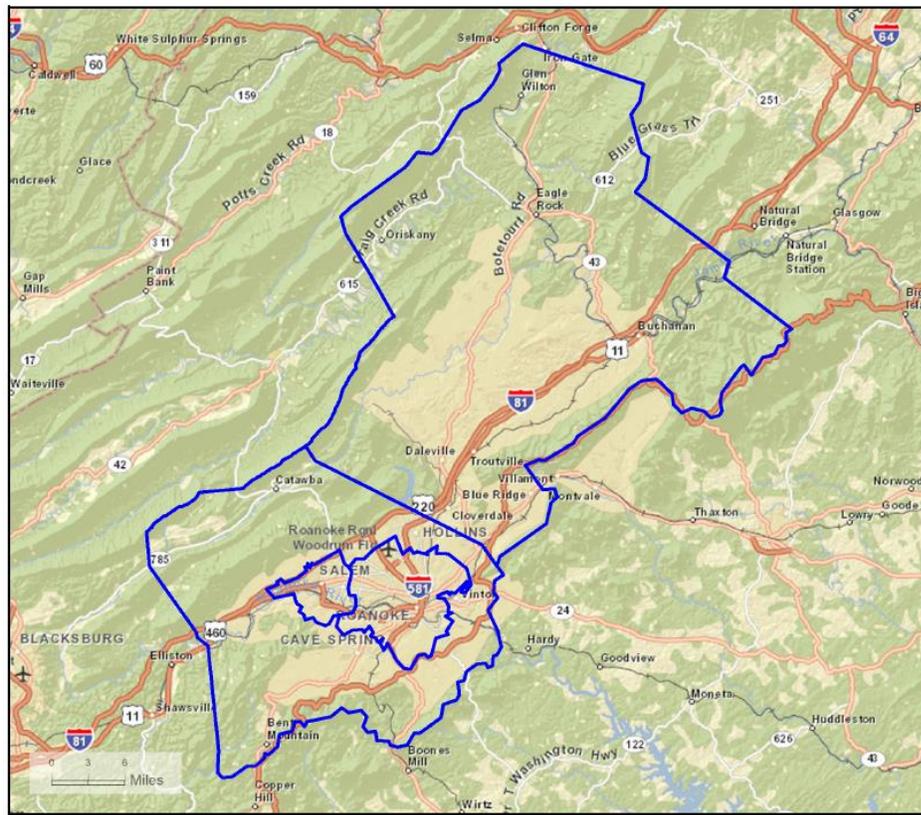
# 7 MULTI-FAMILY RESIDENTIAL MARKET ANALYSIS

## A. INTRODUCTION AND METHODOLOGY

Developers and real estate professionals interviewed for this analysis generally agreed that the most suitable type of residential development for the Exit 150 area would be multi-family, which could either be condominiums, or more likely, apartments and higher density attached housing such as townhomes. In addition to obtaining the perspectives of real estate professionals, an examination of residential development trends over time is useful for assessing future potential. This section analyzes residential development trends over the past ten years with an emphasis on apartments, identifies emerging product, and discusses the implications for future apartment development in the Exit 150 study area.

Data was collected from public and private sources, including the U.S. Census and REIS Reports, a private real estate data provider. REIS tracks the Roanoke Metro submarket, which includes Roanoke City, Roanoke County, Salem City and Botetourt County. Data collected and analyzed from other sources reflects this geography (Map 7-1).

Map 7-1: Roanoke Metro Apartment Submarket



Source: Reis Reports 2015

**B. RESIDENTIAL DEVELOPMENT TRENDS**

The Roanoke Metro Submarket contained an estimated 112,862 residential units in 2013, 14,588 or 13% of which were located in Botetourt County. The metro submarket contains an estimated 17,754 multi-family units (structures with 5 or more units) which is nearly 16% of the total residential units. According to property assessment records, Botetourt County had only 336 multi-family units in 2013, which comprised just over 2% of its inventory.

The metro submarket added nearly 10,700 new dwelling units from 2000 to 2013, with the highest number in Roanoke County (4,569 units) reflecting an annual growth of 1.2%. This was followed by Roanoke City with 2,959 new units, reflecting an annual growth of 0.6%, Botetourt County with 2,494 new units, reflecting annual growth of 2.0%, and Salem City with 674 new units, reflecting annual growth of 0.6%. The low number of new additions to inventory since 2010 dramatically illustrates the impact of the great recession on residential development in the area (Table 7-1).

**Table 7-1  
 Residential Trends  
 Roanoke Metro Submarket 2000 - 2013**

Jurisdiction	Multi-Family Units*	All Units			
		2000	2013	Since 2000	Since 2010
Roanoke City	9,805	44,333	47,292	2,959	15
Roanoke County	5,586	35,601	40,170	4,569	154
Salem City	2,027	10,138	10,812	674	54
Botetourt County	336	12,094	14,588	2,494	28
<b>TOTAL</b>	<b>17,754</b>	<b>102,166</b>	<b>112,862</b>	<b>10,696</b>	<b>251</b>

\*Includes structures with 5 or more units

Source: U.S. Census American Community Survey 2009-2013

Permit activity for all residential types in the Roanoke Metro for the past ten years show a peak of 942 units permitted in 2005, a low of 292 units permitted in 2012, and 568 and 381 units permitted in 2013 and 2014, respectively. If all of the permitted units are constructed, the Roanoke Metro Submarket will have added an average of approximately 500 residential units per year over the past ten years (Table 7-2). Although not reported in the Census permit data, 120 apartment units were delivered in Botetourt County at Daleville Town Center in 2013 and 2014. This could be a reporting error or an omission.

**Table 7-2  
 Residential Permit Activity  
 Roanoke Metro Submarket 2005 - 2014**

Unit Type	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Total
<b>BOTETOURT COUNTY</b>											
Single Family	273	194	137	104	63	66	55	74	63	75	1,104
<b>ROANOKE COUNTY, ROANOKE CITY, SALEM CITY</b>											
Single Family	613	499	460	425	249	222	245	218	300	234	3,465
Multi-Family	56	26	0	62	0	12	32	0	205	72	465
<b>TOTAL AREA</b>											
Single Family	886	693	597	529	312	288	300	292	363	309	4,569
Multi-Family	56	26	0	62	0	12	32	0	205	72	465
<b>All Units</b>	<b>942</b>	<b>719</b>	<b>597</b>	<b>591</b>	<b>312</b>	<b>300</b>	<b>332</b>	<b>292</b>	<b>568</b>	<b>381</b>	<b>5,034</b>

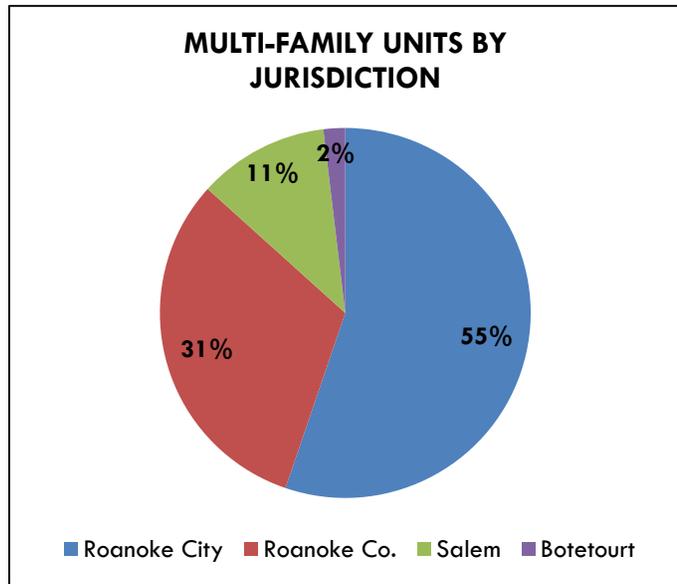
Source: U.S. Census 2015

**C. APARTMENT MARKET CHARACTERISTICS**

**1. Regional Market**

Multi-family is an urban/suburban oriented housing typology, which explains in large measure why multi-family units are distributed in the submarket. Roanoke City has the highest proportion in the submarket at 55%, which is characteristic of a central city where housing is built to urban densities. It is followed by Roanoke County at 31%, Salem City at 11% and Botetourt County at 2% (Figure 7-1). Botetourt County is largely rural, and the development at Daleville Town Center is its first foray into urban style mixed-use development. In fact, the apartment development at the Daleville Town Center added 120 units to the County’s multi-family inventory, a 55% increase.

Figure 7-1



Source: U.S. Census American Community Survey 2009-2013

Vacancy rates are the number of available units expressed as a percentage of the total inventory, and are reliable indicators of the balance between supply and demand. A vacancy rate of 5% is considered a reasonable threshold to begin planning for new inventory additions. Table 7-3 shows a Roanoke Metro apartment market that may still be responding to recent additions to inventory, particularly in light of Roanoke’s relative market strength in the last three- and five-year periods. Whereas the Roanoke Metro market had lower vacancies than the South Atlantic Region and U.S. during these periods, its vacancy rate was 7.3% in the first quarter of 2015, compared to 5.0% in the South Atlantic and 4.2% in the U.S. The Roanoke Metro vacancy rate for product delivered after 2009 is 28.5%, indicating a degree of market saturation.

The Roanoke Metro’s annualized vacancies were considerably lower than the South Atlantic and the U.S. over the 5-Year period, at 4.7% compared to 6.4% and 5.5%, respectively. The Roanoke Metro vacancy rate showed more parity with the U.S rate over the 3-Year period at 4.5% compared to 4.6%, both lower than the South Atlantic at 5.4%, and was equal to the South Atlantic vacancy of 5.1% in the last full year compared to the U.S. at 4.3% (Table 7-3).

**Table 7-3**  
**Apartment Vacancy Rates**  
**Roanoke Metro**

	QUARTERLY			ANNUALIZED		
	1Q15	4Q14	YTD Avg.	1 Year	3 Year	5 Year
Roanoke	7.3%	6.4%	7.3%	5.1%	4.5%	4.7%
South Atlantic	5.0%	5.2%	5.0%	5.1%	5.4%	6.4%
United States	4.2%	4.2%	4.2%	4.3%	4.6%	5.5%

Source: Reis Reports; RKG Associates 2015

In the past ten years, the Roanoke Metro apartment market has seen an average of about 47 multi-family permits per year, with the largest number in 2013 at 205. There were no multi-family permits issued in 2012, 2009, or 2007. Indeed, the total number of units permitted from 2005 to 2012 is 188, compared to 277 in 2013 and 2014 (Figure 7-2). The apartment units at Daleville Town Center were delivered to the market during the 2013-2014 period.

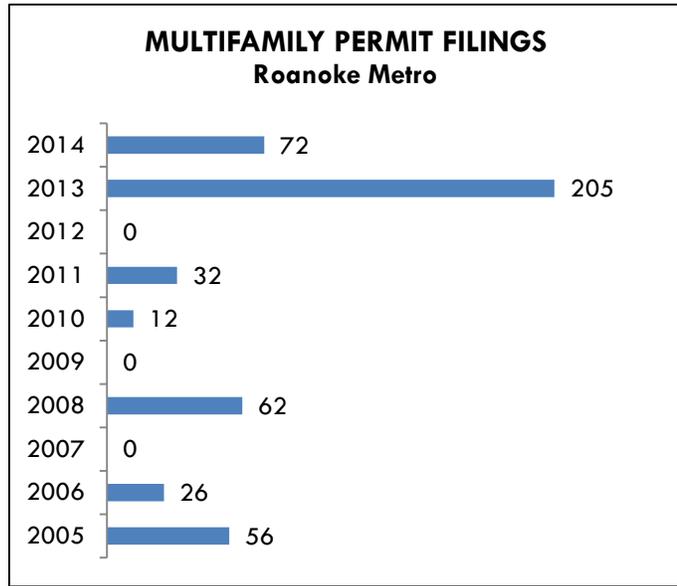
The apartment inventory in the Roanoke Metro Submarket is aging, but the oldest segment of the inventory remains a popular value alternative. The 23% of apartments built before 1970 have the lowest average monthly rents at \$628 and the lowest vacancies at 2.8%. Fully 46% of the Roanoke Metro's apartment stock was constructed between 1970 and 1979, and has average monthly rents at \$673, and a vacancy rate of 6.1%. Apartments built before 1980 account for 79% of the submarket's inventory.

Apartment development activity went through somewhat of a lull from 1990 through 2009, when only 7% of the inventory was delivered. Average rents for this product segment jump from the \$625 to \$680 range for pre 1990's stock to \$860-\$915. The 10% of the current inventory constructed after 2009 has the highest average monthly rents of \$1,193 and a 28.5% vacancy rate which indicates this segment of the inventory is still undergoing absorption (Table 7-4).

**2. Local Apartment Market**

The apartments at Daleville Town Center were positioned to attract a higher income segment in the apartment market, which is evident by comparing asking rents to metro averages (Table 7-5). Completed this year, the Daleville Town Center product is of brick construction and offers gourmet kitchens, granite counter tops, and other quality fixtures and finishes. Amenities include a pool with outdoor kitchen, clubhouse, gym, outdoor amphitheater and ballpark.

Figure 7-2



Source: Reis Reports; RKG Associates 2015

**Table 7-4  
Apartment Characteristics by Age  
Roanoke Metro 2015**

Year Built	Inventory %	Rent	Vacancy
Before 1970	23.0%	\$628	2.8%
1970-1979	46.0%	\$673	5.0%
1980-1989	12.0%	\$677	6.1%
1990-1999	5.0%	\$915	6.6%
2000-2009	2.0%	\$860	6.7%
After 2009	10.0%	\$1,193	28.5%

Source: Reis Reports; RKG Associates 2015

**Table 7-5  
Comparative Apartment Characteristics  
Roanoke Metro & Daleville Town Center**

CURRENT METRO AVERAGES			
Unit Type	1 BR	2BR	3 BR
Avg. Square Footage	692	972	1,190
Monthly Rent	\$643	\$759	\$833
DALEVILLE TOWN CENTER			
Unit Type	1 BR	2BR	3 BR
Avg. Square Footage	620	870	1,120
Monthly Rent	\$895	\$995	\$1,447

Source: Reis Reports; RKG Associates 2015

Rents range from \$895 per month for a one-bedroom unit to \$1,447 per month for a three-bedroom unit, compared to March 2015 metro averages of \$643 per month for a one-bedroom unit to \$833 per month for a three-bedroom unit (Table 7-5). A scan of apartments in the Roanoke Metro marketplace showed only one complex comparable to Daleville Town Center in price and amenities, Glade Creek, which ranges from \$910 per month for a one-bedroom apartment to \$1,200 per month for a three-bedroom apartment. This puts Daleville Town Center at the top of the Roanoke Metro market in terms of price, which appears to be 31% to 73% above metro rent levels, depending on the size of unit. Despite the higher rents, the project's owner confirms that the project is over 93% occupied at the time of this analysis.

#### **D. PIPELINE DEVELOPMENT**

Inquiries with local planning departments revealed additional new apartment product under construction or in the late planning phases. All of the three planned apartment projects are located in Roanoke County, and comprise the following:

- *The Retreat* is located very near Exit 141, is planned for 180 units, and is currently under construction.
- *Peregrine Crest* is several miles south of Roanoke City on Chapparral Drive, and is planned for 48 units.
- *Suncrest* is also south of Roanoke City, is planned for 84 units, and is under construction.

Apartment units currently under development in the Roanoke Metro total 312, which exceeds the total number of apartment units added to the inventory (251) from 2010 through 2013.

#### **E. IMPLICATIONS**

The first of Daleville Town Center's 120 apartment units were delivered in 2013 and 2014, and it is estimated that the complex is 93% occupied. In roughly eighteen months, the Daleville Town Center managed to fill 112 apartments priced at the top end of the market, primarily with empty nesters according to the project's developer. Because the town center development is a relatively recent phenomenon in the Roanoke Metro, the depth of this market is currently unknown according to local real estate professionals. Apartment absorption rates in Roanoke Metro over the next two years will help clarify the demand for modern apartment units.

Apartment development in the Roanoke Metro has undergone resurgence since 2013, with an additional 312 units currently in various stages of development. Delivery of these units could put apartment development into a lull while demand catches up to supply, as evidenced by the current 28.5% vacancy in units built after 2009.

Since Botetourt County has recently demonstrated its ability to support a successful apartment product in today's marketplace, apartments in the Exit 150 area should certainly be considered a viable future land use. Given the close proximity of the 180-unit *Retreat* off of Exit 141 and its similarities in terms of interstate access, it will warrant close attention with regard to its absorption, which could inform the feasibility of comparable development at Exit 150 in the future. However, there is a need for Botetourt County to promote the development of more diverse housing choices for people of varying ages and income levels. The fact that Daleville Town Center has shown there is a market for high amenity, higher-priced apartments, suggests that there may be a much larger market opportunity for units priced below Daleville Town Center but still above Roanoke metro apartment rents. This would likely come in the form of professionally-managed apartment/townhome communities. Such a development would help attract or retain young singles, couple and families that are not able to purchase a single family home in Botetourt County.

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# 8 CONCEPTUAL LAND USE PLAN

## A. INTRODUCTION

Since its construction nearly 50 years ago, Exit 150 on Interstate 81 has been situated strategically next to the crossroads of US Route 220 and US Route 11. Over the decades, the interchange has seen steady increases in retail activity, significant residential growth to the east and west of the interchange, while also becoming the major commercial and retail center for the County. What was once a convenient location to switch between interstate, regional and local transportation arteries has become an area impacted by congestion, reoccurring traffic delays, and safety and access issues. These issues triggered VDOT's reconstruction of the I-81 Exit 150 interchange, which in turn presented an opportunity for the County, with the support of stakeholders and property owners, to develop a new and improved vision for land use and transportation within the interchange area. The transportation and land use vision support the new market strategy for long-term development within the interchange area.

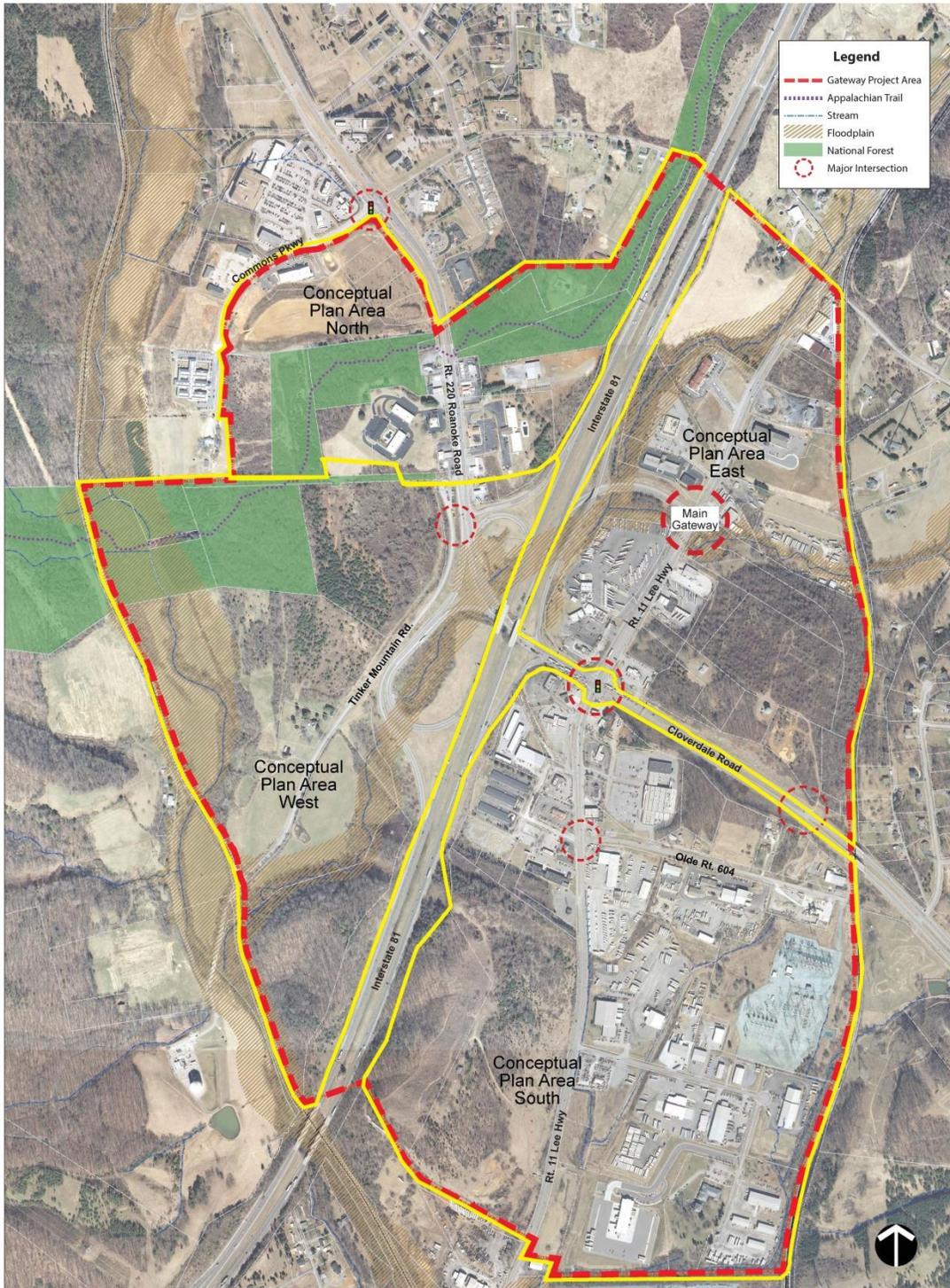
For decades, the interchange's most notable landmark was the Travel Centers of America truck stop, which helped serve the interchange's high volume of commercial truck traffic; however, the facility was permanently closed to make way for the interchange improvements. The interchange has become a gateway to the County and to other major regional destinations such as nearby universities and the World War II Memorial in Bedford County. One of the most popular sections of the Appalachian Trail (AT) crosses US Route 220 just west of the interchange, which offers increased synergy and partnership opportunities for Botetourt County's emerging recreational tourism opportunities. The transportation element of this market study represents an opportunity to enhance both bicycle and pedestrian mobility and create strategies integrated with overall economic development within the area.

## B. EXISTING CONDITIONS

### 1. Sub Area Description

The Gateway Crossing study area is divided into sub areas generally defined by existing roadway conditions and land use areas. The northern study area includes the undeveloped land bordered by Route 220 and Commons Parkway, the National Park Service property for the Appalachian Trail and the existing mixed commercial development and hotel accommodations along Route 220, to the intersection of Tinker Mountain Road (Map 8-1). The western study area is generally defined by the National Park Service property, Tinker Creek and Interstate 81, accessible from Tinker Mountain Road. The eastern study area is generally defined by the Interstate 81, existing mixed commercial and hotel accommodations along Route 11 to Buffalo Creek crossing, the future Gateway Crossings roadway as part of the Interstate 81/ Exit 150 improvement project, and Route 220. The Southern study area is generally defined by Route 220, Interstate 81, the railroad to the east, and the railroad and electrical substation to the south.

Map 8-1



**GATEWAY CROSSING: Existing Conditions**  
 Botetourt County, Virginia



## 2. Key Roadway Connections

### a.) Interstate 81

Interstate 81 runs along a general northeast-southwest alignment through western Virginia for a total length of nearly 325 miles. I-81 is a key component of a major regional and long-haul commercial trucking route connecting markets in the northeast with the southern United States (Texas / Oklahoma). In Botetourt County, I-81 has 4-lanes (with an additional truck climbing in some locations) and provides access from the study area to the Cities of Roanoke and Salem (to the south), and I-64 and Maryland (to the north). According to the most recent published VDOT data (2014), I-81 carries approximately 51,000 vehicles per day (VPD) south of Exit 150 and approximately 39,000 VPD north of Exit 150. Approximately 20% of the traffic stream on I-81 south of the interchange is commercial truck traffic, and the percentage approaches 30% north of the interchange.

### b.) US Route 220 (Roanoke Road)

US Route 220 is a four-lane divided principal arterial roadway with a posted speed limit of 35 mph north of US Route 11 and 55 mph south of US Route 11. US Route 220 connects Botetourt County to Interstate 81 and serves as a travel way between Virginia and West Virginia to the north while providing regional connectivity with US Route 460 to the south. In the study area, US Route 220 has numerous commercial access driveways north of I-81; however, immediately south of I-81 US Route 220 intersects with US Route 11 and then continues south with very few commercial entrances.

According to the most recent published VDOT data (2014), US Route 220 carries approximately 27,000 vehicles per day (VPD) to the north of Exit 150 and approximately 34,000 VPD between I-81 and US Route 11. To the south of US Route 11, US Route 220 carries approximately 18,000 VPD. Approximately 10% of the traffic stream on US Route 220 south of the interchange is commercial truck traffic, and the percentage drops to approximately 5% north of the interchange.

### c.) US Route 11 (Lee Highway)

US Route 11 is a four-lane undivided minor arterial roadway with a posted speed limit of 35 mph in the study area. US Route 11 runs parallel to I-81 along its entire length in Virginia and provides local connectivity between I-81 interchanges. In the study area, US Route 220 has numerous commercial access driveways north and south of US Route 220. North of US Route 220, US Route 11 is without a median and has northbound and southbound turn lanes, creating up to a 7-lane undivided section. South of US Route 220, US Route 11 narrows to 4-lanes and has only a brief section of median control (immediately south of US Route 220).

According to the most recent published VDOT data (2014), US Route 11 carries approximately 6,600 vehicles per day (VPD) to the north of US Route 220 and approximately 11,000 VPD to the south of US Route 220. Commercial truck traffic comprises approximately 10% of the traffic stream on US Route 11 south of US Route 220 and immediately to its north. Commercial truck percentages on US Route 11 drop to approximately 1% north of its intersection with the I-81 NB ramps.

## 3. Study Area Transportation Issues

### a.) VDOT Park & Ride

Virginia Department of Transportation maintains an existing Park & Ride facility with approximately 30 spaces on Tinker's Mountain Road just west of its intersection with US Route 220 (Figure 8-1). The lot is routinely full on typical commuter days. Based on discussions with VDOT and County staff, it is believed that at least an additional 30 spaces informally function

as a Park & Ride capacity at the nearby Botetourt Commons shopping center, just north on US Route 220. Increased Park & Ride demand has been observed in Botetourt County over the recent years as residential development has increased particularly north and west of Exit 150. In 2013, VDOT completed a statewide Park & Ride Investment Strategy which recommended the addition of 30 new spaces at the existing Park & Ride and 30 new spaces further north on US Route 220 on VDOT-owned south of Botetourt Commons. More recently, VDOT has discussed with the County the potential for a Park & Ride facility on US Route 220 north, with up to 300 total spaces on the same location as site SAL-11 from VDOT's Park & Ride Investment Strategy. Access to the site would be from Commons Parkway, and construction could occur in phases.

**Figure 8-1**



Existing VDOT Park & Ride on US Route 220

**b.) Commercial Truck Parking Demand**

Commercial truck traffic on a percentage-basis is very high on I-81 and this can strain local streets and access management. Federal regulations place strict driving limits on commercial truckers to allow them to obtain adequate rest to prevent fatigue-related crashes. Federal regulations do not, however, require states or the private sector to provide adequate parking for those truckers who are required to stop for rests. In the absence of regulations to supply parking, state departments of transportation (DOTs) can meet short-term truck parking demand through the provision of truck parking spaces at rest areas. The remaining burden to provide long-term (overnight) truck parking demand typically falls on the private sector.

Prior to the closure of the truck stop, commercial truck traffic in the study area was heaviest on the section of US Route 11 immediately north of US Route 220 due to the abundance of services at the Travel Centers of America and other existing truck service facilities (gas/truck wash) on the east side of US Route 11. In 2015, VDOT completed a statewide commercial truck parking study which determined that the I-81 corridor in Virginia had a 692 space shortfall in commercial truck parking. This study was completed prior to the closure of the Travel Centers of America truck stop, which resulted in a loss of another 129 additional spaces. A contributing factor in the lack of truck parking in the I-81 corridor is the existing gap between rest areas on northbound I-81 in the vicinity of Botetourt County. This segment of

I-81 has one of two largest gaps in VDOT's rest area systems as document by VDOT's Safety Rest Area and Welcome Center Master Plan.<sup>1</sup>

Study area observations conducted by the RKG Team in the spring of 2015 documented significant occurrences of commercial vehicles parked illegally in and around the numerous remaining commercial uses in the study area. Severe rutting of shoulders and ditches was also noted. The study area's location with respect to I-81 and its abundance of highway-commercial uses will foster continued heavy commercial truck traffic and demand for services in the future. The additional regional connectivity provided by US Route 220 tends to increase the number of trucks passing through the area relative to other interchanges along I-81. Until this need is addressed along the I-81 corridor, the demand will remain high and trucks will find ways to park in the Exit 150. Considerable truck related services are currently being developed at Exit 205 on Interstate 81, which have the potential to reduce the demand for truck parking at Exit 150. However, the County should continue to monitor truck parking in the Exit 150 area to ensure that it does not create circulation problems.

c.) Pedestrian Connections and Bicycle Mobility

There are several areas within the Exit 150 study area where the lack of sidewalks and curbing create an unsafe condition for pedestrians. The lack of a defined streetscape along Routes 11 and on 220 discourages pedestrian movements, as does the volume of traffic.

In addition, the study area lies within the northern limits of the 2015 Roanoke Region Pedestrian Vision Plan (Map 8-2), which provides a broader vision for connecting portions of Botetourt County with the City of Roanoke, Roanoke County and the greater Roanoke Region that include streetscape with pedestrian improvements and multi-use trails. However, currently there are minimal pedestrian accommodations within the study area/sub areas and no bicycle accommodations within the study area or any of the project sub areas. There are no identified sidewalks, bike lanes, bike sharrows markings (roadway markings that indicate bikers share roadway with vehicles), or pedestrian related signage or intersection improvements.

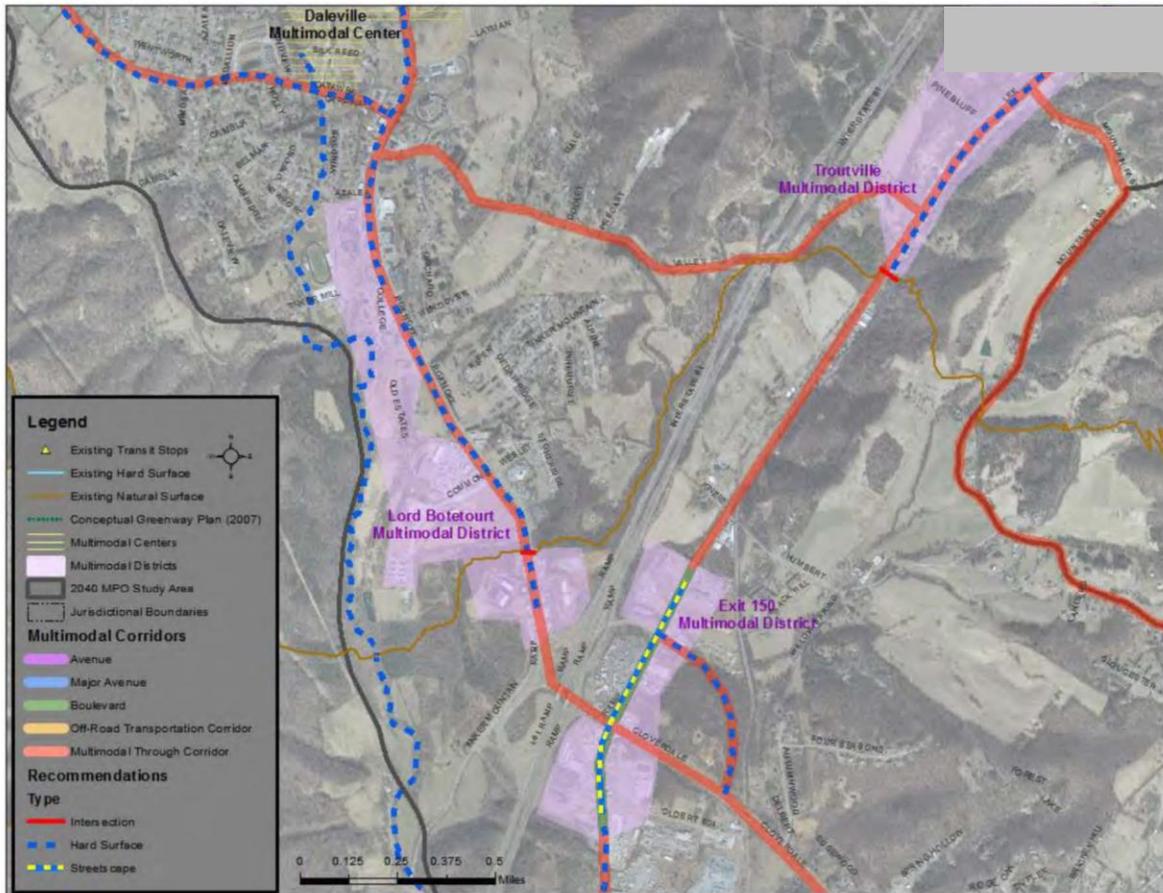
The Appalachian Trail (AT) is the most significant pedestrian accommodation. The only identified pedestrian signage consists of advance warning signs for Hiker Crossing Ahead on US Route 220 at the AT crossing in the northern study area. This AT crossing is one of the most heavily used trail access points that include thru-hikers, section/distance hikers, weekend and day use hikers.

Within the study area, the potential for significant redevelopment activity will present excellent opportunities to coordinate local pedestrian and bicycle network and multi-use trail system if desired; however, given that redevelopment activity can occur in a patchwork manner, a detailed, cohesive master plan for routes within the study area will be required to ensure connectivity and consistency.

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<sup>1</sup> Virginia Truck Parking Study, prepared by Kimley Horn for Virginia Department of Transportation, July 2015.

Map 8-2



Source: [Roanoke Region Pedestrian Vision Plan](#), Roanoke Valley Transportation Planning Organization, 2015.

Several constraints and barriers to connectivity in the study area exist, including:

- **Constrained Right-of-Way Under I-81** – Interchanges typically represent major challenges for pedestrian and particularly bicycle connectivity due to localized areas of intense merging and weaving where motorists may not be expecting pedestrians or bicyclists and with interstate drivers often not being familiar with the local road system. I-81 is a limited access facility which bisects the study area, representing a major barrier to connectivity between the eastern and western halves of the study area. The existing US Route 220 corridor under I-81 has limited additional space for adding protected facilities for bicyclists and pedestrians (Figure 8-2).
- **Heavy Commercial Truck Traffic** – High volumes of heavy vehicle traffic like those present within the study area present additional challenges for on-street pedestrians and bicyclists. Consideration should be given where possible to providing sidewalks and off-street (i.e. shared-use paths) facilities in the study for use by pedestrians and cyclists, particularly those that are recreational.

- **Funding** – Where redevelopment activity is unable to build out the bike/pedestrian network, some segments of a bicycle and pedestrian network may ultimately need to be built by the County with the use of outside funding, or considered an opportunity for private developers to work in partnership with the County through the development proffer system. It will be critical to identify funding and programming options to construct missing linkages in the network.

Figure 8-2



Source: VDOT Exit 150 IMR at Exit 150 – June 2012

- **Railroad Corridors** – The study area is bounded by railroad corridors in the southwest and east. Providing pedestrian or shared-use crossings improvements over railroad rights-of-way can create challenges for regional connectivity. Although challenges do exist, the creation of a local area bicycle and pedestrian master plan will dovetail well with the County's emergence as a recreational eco-tourism destination.

d.) Signage and Wayfinding

The study area includes a range of commercial and retail signage that cater to direct interstate and local traffic. The scale, style and placement are extremely variable and translate the image of a major commercial area without unity. Although signage does reflect the existence of County requirements, future goals should consider strategies to promote more harmony within the mixture of commercial enterprises. Several examples of signage and wayfinding in concert with development scenarios are included within the report.

e.) The Appalachian Trail (AT)

The AT, a 2,180 mile foot path from Georgia to Maine is managed by the Appalachian Trail Conservancy (ATC) in partnership with the National Park Services (NPS). Many day use and weekend hikers contribute to the heavy trail use along this segment of the trail. Hikers who have completed the full trail are referred to as “2,000 milers,” and hikers who have completed the trail in one year are called “thru-hikers.”

The AT crosses the study area at US Route 220 and is one of the most heavily traveled trail sections for the AT. According to Andrew Downs, the ATC Regional Director, AT, AT hikers within the study area include thru-hikers, distance/section hikers, weekend and day use hikers, averaging 7,000 to 10,000 (estimated) hikers annually. AT northbound thru-hikers are estimated at 3,000 annually, AT southbound thru-hikers are estimated at 400 annually, with the remaining hiker volume attributed to distance/section, weekend and day use hikers. With the 2015 release of the movie “A Walk in the Woods”, the ATC estimates northbound thru-hiker volumes to increase by 60% to 4,800 annually, not including potential increases estimated for southbound distance, weekend and day use hikers.



door” or gateway opportunity exists with the reconfiguration of northbound ramps, the development of a roundabout at Route 11, and the elimination of the Travel Centers of America (TA) truck stop at the interchange. The interchange will result in the construction of Gateway Crossing (during Phase I of construction), which will be a 4-lane divided roadway extending from the roundabout to US Route 220. Gateway Crossing will open up access to over 20 acres of developable land. According to VDOT, Gateway Crossing Drive will be an Urban Minor Arterial in VDOT’s Functional Classification system with a posted speed limit of 35 mph. The low speed and arterial classification will permit multiple partial-movement access points. The road is currently being designed with one (1) full-movement crossover. It will also include full bicycle and pedestrian accommodations as discussed further below.

## **2. Pedestrian System Improvements**

Although limited in scope, the interchange project will provide the addition of pedestrian facilities within a portion of the study area. Specifically the interchange project will provide a multi-use trail with buffer strip along the east side of Route 11 from the proposed roundabout to Route 220 Alternate, pedestrian crossings at the intersection of Route 11 and Route 220, and pedestrian sidewalks with buffer street along the proposed Gateway Crossings roadway, from the Roundabout to Route 220. Pedestrian signage and signage will be provided for all of these facilities. In addition, the construction of Gateway Crossing Drive will include wide (14’) outside lanes that provide extra travel way space to accommodate on-street bicycle traffic. The total bicycle and pedestrian infrastructure being constructed with the project are as follows:

- 5’ Sidewalks = 3,450 Linear Feet (LF)
- 8’ Shared-use Paths = 680 LF
- 8’ Paved Shoulders = 770 LF
- 14’ Travel Lanes = 4,590 LF

## **3. Impacts to Commercial Access and Circulation**

The Interchange project will have a significant effect on access management for exiting businesses along Route 11 in front of the former TA truck stop. The development of a southbound slip lane and center median will eliminate the opportunity for left turn ingress or egress to and from businesses southbound on the east side of US Route 11. Access to developments on US Route 11 south of US Route 220 will be somewhat more limited than currently, with entrances being consolidated for safety and some internal access roads being constructed to provide interconnectivity to remaining businesses. Businesses such as the truck wash and Pilot gas station on Route 11 will likely experience the greatest impacts due to the restricted access and the removal of the truck stop.

## **D. CONCEPTUAL LAND USE PLAN**

The planning process included site analysis, transportation analysis, market research and analysis, individual stakeholder meetings, a group stakeholder charrette meeting and open public meeting. Land use area designations were developed during the planning process to assist with the understanding of current and future development scenarios within the study area and further explain the conceptual land use scenarios depicted in the conceptual land use plan. The conceptual land use planning process and plan has offered the opportunity for the creation of guidelines, development strategies and the creation of an overlay district. The goal of the conceptual land use plan is to provide stakeholders and Botetourt County a vision for infill and redevelopment of properties within the study area. The planning strategies can guide development while reinforcing and expanding upon the unifying features of the Interchange project. Botetourt County is providing planning direction by brining stakeholders together to facilitate the conceptual land use planning effort.

- **Conceptual Land Use Scenarios (Stages I and II)**

- a.) Stage I: Infill Development Strategy

The goal of the Stage I Conceptual Land Use Plan is the depiction of an infill development vision so stakeholders and property owners can see opportunities for large tract development scenarios within the study area, and their relationship to existing development parcels, adjoining property owners and roadway conditions. Although the conceptual plan strategy is to capitalize on parcels that are not developed within the study area, site access and environmental conditions indicate some parcels offer limited large-scale development. This does not preclude select small- scale development that may occur in the future. Many of the infill development strategies show partnerships and interdependencies between multiple property owners such as Botetourt County, the Appalachian Trail Conservancy (ACT) and VDOT (Map 8-3).

- b.) Stage II: Redevelopment Strategy

The goal of the Stage II Conceptual Land Use Plan is the depiction of redevelopment opportunities that may exist in the future directly adjacent to the roadway corridor, and their relationship to the infill development vision depicted in Stage I. This infill development will also allow stakeholders and property owners to see alternative commercial and retail within the previously developed study area. While redevelopment potential exists for all study areas, existing established commercial conditions suggest some select locations would better serve the project area with enhancements to existing development instead of complete redevelopment. Also like Stage I, the infill strategies would require initiative directly from property owners, with support from Botetourt County, ATC and VDOT (Map 8-4).

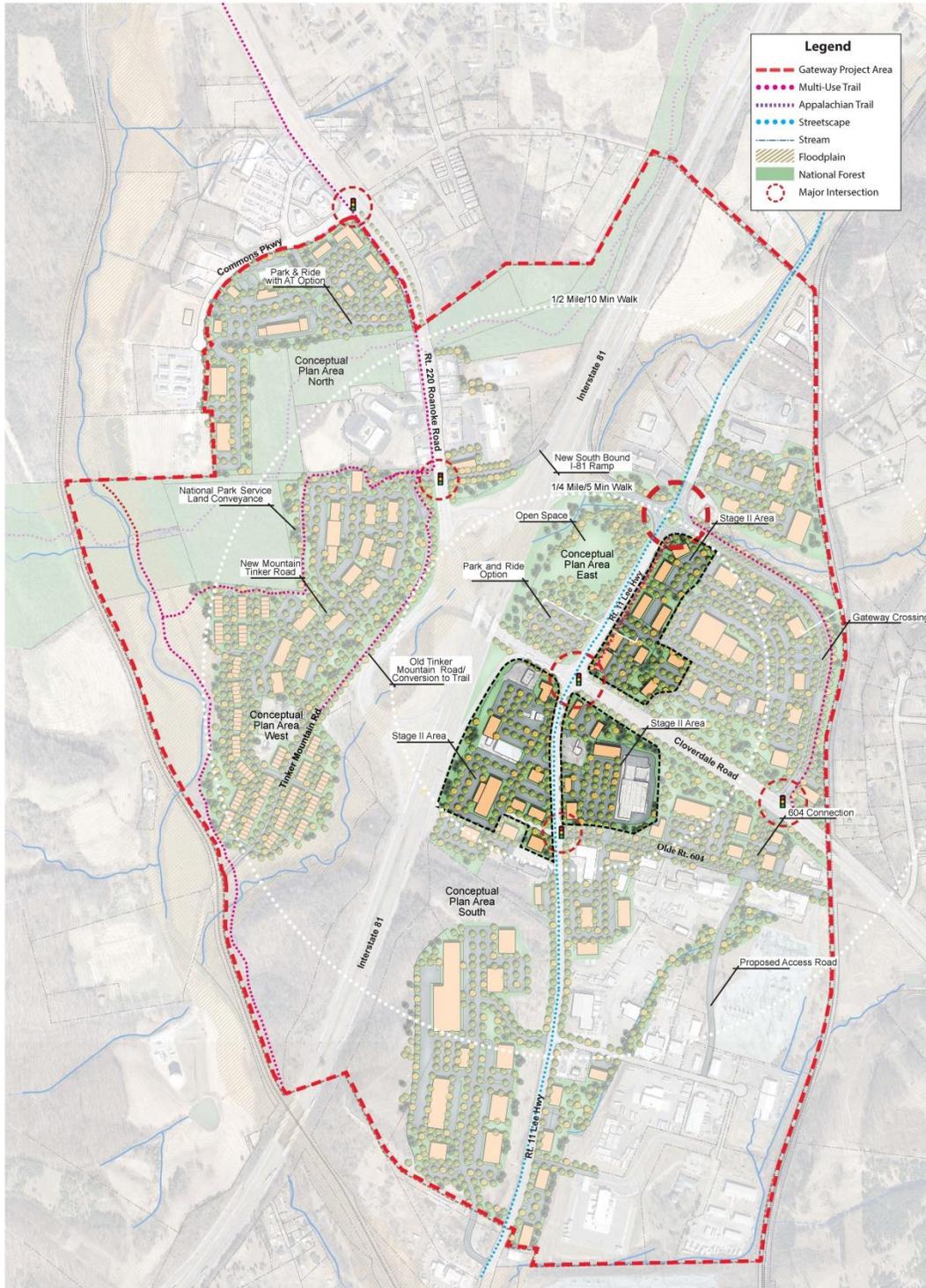
Map 8-3



**GATEWAY CROSSING: Conceptual Land Use Plan - Stage I**  
 Botetourt County, Virginia



Map 8-4



**GATEWAY CROSSING: Conceptual Land Use Plan - Stage I with Stage II**  
 Botetourt County, Virginia



• **Potential Land Use Opportunities and Transportation Needs**

a.) Conceptual Plan Area - North

Based on the team’s evaluation of the conditions in the Plan Area - North and input received from County staff, VDOT officials, ATC representatives, and other stakeholders, opportunities exist to further build-out and improve this area to the benefit of residents, businesses, visitors and AT users.

The AT crossing at US Route 220 and lack of a defined trailhead with parking creates an opportunity for improvements. Future retail development activity on undeveloped commercial parcels owned by VDOT, as well as shared-parking for Park & Ride users further strengthens the potential of this area. A defined location should be established for a new, modern AT trailhead that is sufficient for the enhanced level of activity at this location.

Sufficient parking should also be provided with a dual use as a Park & Ride facility for 125 cars (Figure 8-4). The conceptual plan area encompasses approximately 28 acres, which comprises land identified as having high development potential as described in Chapter 4 (Map 4-1) Table 8-1.

To promote access to and from the AT, a shared-use path system should be constructed to extend out from the new trailhead and connect with nearby businesses including hotel and lodging uses. This pedestrian network should be extended along US Route 220 South under I-81 to connect the other side of Exit 150. A complete pedestrian linkage could serve as a link connecting recreational trail users with restaurants, businesses and other area amenities. Conceptual Plan Area North offers existing businesses providing framework for future commercial development and integration. Due to this framework the existing development is shown in the concept plans as intact with significant enhancements to roadway frontage improvements, access, as well as integration with large undeveloped parcels. As continued and redevelopment activity occurs, sidewalk connections should

**Table 8-1**

**Exit 150 Study Area: North  
 Land Area of Potential Development/Redevelopment Parcels  
 Botetourt County, Virginia**

	Total		Vacant Land		Improved/ Underutilized	
	Count	% of Total	Count	% of Use	Count	% of Use
<b>HIGH POTENTIAL</b>						
Accommodation	0.0	0.0%	0.0	0.0%	0.0	0.0%
Agricultural/Unimproved	17.7	63.0%	17.7	100.0%	0.0	0.0%
Automotive/Transportation	0.0	0.0%	0.0	0.0%	0.0	0.0%
Industrial/Warehouse	0.0	0.0%	0.0	0.0%	0.0	0.0%
Residential	0.0	0.0%	0.0	0.0%	0.0	0.0%
Retail/Service	0.0	0.0%	0.0	0.0%	0.0	0.0%
Public/Exempt	10.4	37.0%	10.4	100.0%	0.0	0.0%
<b>Total</b>	<b>28.1</b>	<b>100.0%</b>	<b>28.1</b>	<b>100.0%</b>	<b>0.0</b>	<b>0.0%</b>
<b>MODERATE POTENTIAL</b>						
Accommodation	6.5	34.5%	0.0	0.0%	6.5	100.0%
Agricultural/Unimproved	0.0	0.0%	0.0	0.0%	0.0	0.0%
Automotive/Transportation	9.9	53.2%	0.0	0.0%	9.9	100.0%
Industrial/Warehouse	0.0	0.0%	0.0	0.0%	0.0	0.0%
Residential	0.0	0.0%	0.0	0.0%	0.0	0.0%
Retail/Service	2.3	12.3%	0.2	9.9%	2.1	90.1%
Public/Exempt	0.0	0.0%	0.0	0.0%	0.0	0.0%
<b>Total</b>	<b>18.7</b>	<b>100.0%</b>	<b>0.2</b>	<b>1.2%</b>	<b>18.5</b>	<b>98.8%</b>
<b>TOTAL</b>	<b>46.8</b>	<b>100.0%</b>	<b>28.3</b>	<b>60.5%</b>	<b>18.5</b>	<b>39.5%</b>

Source: RKG Associates, Inc., 2015



be encouraged to provide further mobility opportunities for non-vehicular traffic. A before and after photo simulation of the US Route 220 corridor is provided above for illustration purposes.

Figure 8-4



Conceptual Plan Area - North

b.) Conceptual Plan Area - West

Based on the consultants' assessment of the conditions in the Conceptual Plan Area West and input received from stakeholders, including key property owners, significant development opportunities exist in this area, but cannot be unlocked without site access. A cooperative agreement(s) is necessary by all parties to open much of Plan Area West. Those parties include: (1) key property owners, (2) VDOT, (3) Botetourt County and (4) ATC and National Park Service. Major land holdings owned by Fralin & Waldron and Talbot do not have access off US Route 220 and cannot be developed currently. If site access can be achieved, the potential exists for a large mixed-use commercial development with retail, a hotel, multi-family apartments and townhomes, which could be accommodated the 168-plus acres of high-potential development land shown in Table 8-2. This development scenario complements the development concept illustrated for Conceptual Plan Area - North (Figure 8-4).

Plan Area - West calls for the relocation of the southbound off-ramp for I-81 to create a new alignment with Tinker Mountain Road and a signalized intersection on US Route 220 at that location. The conversion of the old Tinker Mountain Road to a multi-use trail system with connections to a County trail system and the AT is also possible. As in Plan Area North,

improvements within the development and along US Route 220 will create a complete pedestrian linkage that connects recreational trail users, hotel guests and new residential communities with nearby restaurants, shopping and other businesses.

This development concept requires the ATC/National Park Service to relinquish a sliver of land currently used as an access point to the AT trail in order to provide direct access to the Fralin & Waldron site. In return, at a minimum an equivalent amount of land must be deeded by the private property owners as compensation the National Park Service for the loss of land.

**Table 8-2**  
**Exit 150 Study Area: West**  
**Land Area of Potential Development/Redevelopment Parcels**  
**Botetourt County, Virginia**

	Total		Vacant Land		Improved/ Underutilized	
	Count	% of Total	Count	% of Use	Count	% of Use
<b>HIGH POTENTIAL</b>						
Accommodation	0.0	0.0%	0.0	0.0%	0.0	0.0%
Agricultural/Unimproved	168.5	100.0%	168.5	100.0%	0.0	0.0%
Automotive/Transportation	0.0	0.0%	0.0	0.0%	0.0	0.0%
Industrial/Warehouse	0.0	0.0%	0.0	0.0%	0.0	0.0%
Residential	0.0	0.0%	0.0	0.0%	0.0	0.0%
Retail/Service	0.0	0.0%	0.0	0.0%	0.0	0.0%
Public/Exempt	0.0	0.0%	0.0	0.0%	0.0	0.0%
<b>Total</b>	<b>168.5</b>	<b>100.0%</b>	<b>168.5</b>	<b>100.0%</b>	<b>0.0</b>	<b>0.0%</b>
<b>MODERATE POTENTIAL</b>						
Accommodation	0.0	0.0%	0.0	0.0%	0.0	0.0%
Agricultural/Unimproved	0.0	0.0%	0.0	0.0%	0.0	0.0%
Automotive/Transportation	0.0	0.0%	0.0	0.0%	0.0	0.0%
Industrial/Warehouse	0.0	0.0%	0.0	0.0%	0.0	0.0%
Residential	0.0	0.0%	0.0	0.0%	0.0	0.0%
Retail/Service	0.0	0.0%	0.0	0.0%	0.0	0.0%
Public/Exempt	0.0	0.0%	0.0	0.0%	0.0	0.0%
<b>Total</b>	<b>0.0</b>	<b>0.0%</b>	<b>0.0</b>	<b>0.0%</b>	<b>0.0</b>	<b>0.0%</b>
<b>TOTAL</b>	<b>168.5</b>	<b>100.0%</b>	<b>168.5</b>	<b>100.0%</b>	<b>0.0</b>	<b>0.0%</b>

Source: RKG Associates, Inc., 2015

**Figure 8-5**



Conceptual Plan Area - West

In addition, VDOT's agreement to relocate the south bound exit ramp and create the signalized intersection are critical to the success of this plan, but require further study so as not to create other traffic problems. Funding is also required to make these improvements, which are not part of the current Exit 150 improvements.

The potential to realign the existing I-81 south bound off-ramp at Exit 150 with Tinker Mountain Road was evaluated based on discussions with County and VDOT staff. This concept has the potential to eliminate the intersection offset which currently exists between the off-ramp and Tinker Mountain Road, while potentially opening up the land along Tinker Mountain Road for development as shown in Figure 8-5.

A Synchro traffic simulation model was prepared to evaluate projected 2036 AM and PM peak hour volumes to provide a long-term horizon analysis at the realigned intersection and to identify necessary improvements to allow for acceptable levels of service (LOS). Traffic data was derived from the VDOT Exit 150 Interchange Modification Report (which forecasts year 2036 traffic volumes projections along US 220 North/West of I-81 to be 45,000 vehicles per day). In addition to VDOT's published I-81 southbound ramp and Tinker Mountain. Road volumes, the consultants used Institute of Transportation Engineers (ITE) Trip Generation (9th Edition) estimates for the Conceptual Land Use Plans – North and West. Assuming as much as 120,000 SF of new commercial space and up to 612 residential units, the daily volumes above were converted to AM and PM peak hour turning movements using published VDOT-directional and peak hour factors, ITE Trip Generation hourly and directional data, and engineering judgment.

Based on the analysis, the intersection would operate acceptably (overall Level of Service D or better) with the following improvements:

- Signalization of the realigned intersection (4-leg configuration), with the following phasing:
  - Protected northbound left-turn from US Route 220 onto Tinker Mountain Road.
  - Split Phasing for the eastbound Tinker Mtn. Rd. and westbound I-81 Off-Ramp approaches
- The addition of a 3rd southbound thru-lane on US Route 220 (continuous onto I-81 southbound on-ramp)
- The addition of a 3rd northbound through lane on US Route 220
- The addition of a dedicated westbound through lane on the I-81 southbound off-ramp
- The reconstruction of Tinker Mountain Road with the following approach lanes:
  - Dual eastbound left-turn lanes
  - Dedicated eastbound right-turn lane (running with overlap)
- Additional roadway modifications may be required to extend the NB left-turn lane on US Route 220 turning onto Tinker Mountain Road

A complete traffic study would be required to fully evaluate the above scenarios and to further refine the traffic projections and operations with respect to adjacent interchange ramps to the south. The above improvements could create opportunities to improve safety and operations on this side of the interchange, which is not part of the VDOT Exit 150 reconstruction project. In addition, these improvements may offer the ability to incorporate sidewalk and trail connections through/under the I-81 bridges.

With support from the County and VDOT, development along Tinker Mountain Road could allow for the following:

- Construction of Realigned Tinker Mountain Road creating a safer approach and connection to US Route 220
- Potential reconstruction/expansion of VDOT's existing Tinker Mountain Road Park & Ride lot (through partnership with developers).
- Coordination of land swap option with ATC and National Parks Service to provide more protection for the AT while offering positive impacts to land use parcel and commercial access and circulation
- Creation of new commercial and residential opportunities

c.) Conceptual Plan Area - East

Based on the team's evaluation of the conditions in the Conceptual Plan Area East and input received from County staff, VDOT transportation officials and property owners, opportunities exist to build-out and improve most of the large undeveloped areas as well as infill parcels within this plan area. Conceptual Plan Area – East illustrates the conceptual development strategies for this area (Figure 8-6).

**Figure 8-6**



Conceptual Plan Area - East

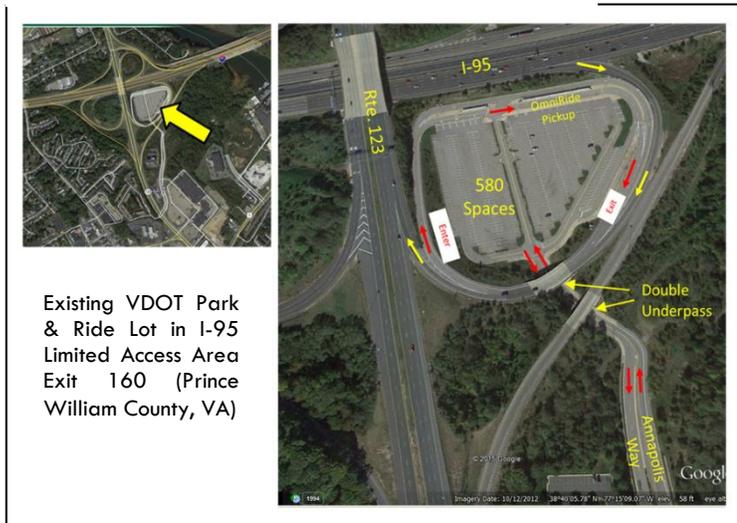
The creation of a new gateway and front door experience for Botetourt County would require additional landscaping, signage/wayfinding and lighting. These gateway recommendations offer simple, first-step approaches to enhance and define the gateway experience, and build upon the landscape improvements as part of the interchange project. Integral to the gateway creation is the utilization of the old Travel Centers of America truck stop property. Currently this large land area is slated for limited landscaping and stormwater management only, with no access to the site or future development. However, the consultants believe the potential

exist to allow limited access to this parcel with the development of a Park & Ride facility via the US Route 11 slip lane. In doing so the parcel could be utilized for passive recreation in conjunction with a new park & ride, landscaping and stormwater management. By creating a park & ride facility to meet current needs, the opportunity exists to create a County-maintained park with passive recreation elements that would enhance the gateway experience for travelers and residents of Botetourt County. With the development of a County park within the parcel a pedestrian system would be created internal to the parcel with the option of a pedestrian bridge over Route 11 to further expand the accessibility of the park program.

Creative strategies will be required to increase the number of Park & Ride spaces to meet growing demands in the study area. Past studies and concepts by VDOT have only included areas along the US Route 220 corridor immediately west of Exit 150; however, the County has expressed an interest in evaluating possible Park & Ride sites to the east of the interchange. The abandoned truck stop property could potentially fill that need, given its proximity to the interchange and capacity to accommodate a significant number of spaces. The Concept Plan Area – East plan shows a layout for approximately 200 spaces on the lower portion of the site, with a right-in only access from the I-81 southbound slip ramp to US Route 220 North and right-in/right-out access on US Route 220 near the I-81 bridge.

Construction of a Park & Ride facility on this parcel would require careful evaluation with regards to access, and it would likely require a substantial traffic analysis to support an Access Management Exception Request for VDOT review and approval. The request would also require ultimate approval by the Commonwealth Board of Transportation given its location within limited access right-of-way. The construction of a VDOT Park & Ride facility within limited access is not

Figure 8-7



unprecedented as evidenced by VDOT's 580 space lot located within the I-95 off-ramp loop at Exit 160 in Prince William County (Figure 8-7).

Initial assessments of right-in/right-out operations at the site's US Route 220 conceptual entrance suggest that weaving operations for right-turns into the site that have to merge across the I-81 slip ramp traffic could operate acceptably for a facility with up to 100 spaces. Weaving operations may deteriorate for a facility between 100-200 spaces in size; however, the operations are very sensitive to the time of loading of the site. VDOT's Park & Ride investment strategy documented that 27% of existing Park & Ride users in the US Route 220 corridor have a commute distance of 25+ miles, and 18% have a commute distance of 50+ miles. These longer-distance commuters typically arrive at Park & Ride facilities well in advance of the local morning peak and at the tail end (or after) the afternoon peak. During the day and weekend, these facilities are typically passive in terms of traffic. Further study is

required to determine how well this unique travel profile can be accommodated in the existing traffic peaks at the interchange today and in the future. Such evaluation should strongly be considered given the ideal proximity of the site to I-81, the growing demand for Park & Ride spaces, the lack of facilities on the east side of the interchange, and the potential challenges with meeting the full demand through Park & Ride located solely west of the interchange.

As a planning goal to capitalize on parcels not developed, site access and environmental conditions indicate some conditions offer limited large-scale development. An example is the undeveloped parcel along Route 11 at the northern limit of Conceptual Plan Area East. Due to extreme topographic constraints, combined with the stream and associate floodway along the full road frontage, no development is depicted at this time. However future detailed site planning may determine select small- scale development could occur on this parcel.

Managing access along the new Gateway Crossing facility will be a top transportation priority for the study area. The proper spacing of entrances will allow the corridor to function acceptably for through-trips between I-81 and US Route 220, while providing safe/convenient access to future development. VDOT has designed Gateway Crossing to have one (1) full-movement median opening at the approximate mid-point between the roundabout and US Route 220; however, no other access locations have been preplanned. Based on current VDOT Access Management guidelines, the roadway could have multiple right-in/right-out entrances and potentially two (2) “left-over” median breaks for left-turns into the parcels to the south/west.

Figure 8-6 illustrates the land use concept for approximately 60 acres of undeveloped land and 5 acres of improved land along Gateway Crossing (Table 8-3). The new development potential in Conceptual Plan Area East within the area bounded by US Route 11, US Route 220, and the proposed Gateway Crossing Drive is estimated to be a mix of commercial/office/hotel type uses totaling approximately 150,000 SF. The trip generation potential for this mix of uses was estimated to be approximately 7,500 vehicle-trips per day (VPD); however, they would be distributed along the multiple envisioned access points to Gateway Crossing and even along US Route 220 and US Route 11 as shown.

**Table 8-3**  
**Exit 150 Study Area: East**  
**Land Area of Potential Development/Redevelopment Parcels**  
**Botetourt County, Virginia**

	Total		Vacant Land		Improved/ Underutilized	
	Count	% of Total	Count	% of Use	Count	% of Use
<b>HIGH POTENTIAL</b>						
Accommodation	0.0	0.0%	0.0	0.0%	0.0	0.0%
Agricultural/Unimproved	30.0	50.3%	30.0	100.0%	0.0	0.0%
Automotive/Transportation	10.7	17.9%	5.7	53.2%	5.0	46.8%
Industrial/Warehouse	0.0	0.0%	0.0	0.0%	0.0	0.0%
Residential	19.0	31.8%	0.0	0.0%	19.0	100.0%
Retail/Service	0.0	0.0%	0.0	0.0%	0.0	0.0%
Public/Exempt	0.0	0.0%	0.0	0.0%	0.0	0.0%
<b>Total</b>	<b>59.8</b>	<b>100.0%</b>	<b>35.7</b>	<b>59.8%</b>	<b>24.0</b>	<b>40.2%</b>
<b>MODERATE POTENTIAL</b>						
Accommodation	0.0	0.0%	0.0	0.0%	0.0	0.0%
Agricultural/Unimproved	0.0	0.0%	0.0	0.0%	0.0	0.0%
Automotive/Transportation	4.2	78.5%	0.8	19.8%	3.4	80.2%
Industrial/Warehouse	0.0	0.0%	0.0	0.0%	0.0	0.0%
Residential	0.0	0.0%	0.0	0.0%	0.0	0.0%
Retail/Service	1.2	21.5%	0.0	0.0%	1.2	100.0%
Public/Exempt	0.0	0.0%	0.0	0.0%	0.0	0.0%
<b>Total</b>	<b>5.4</b>	<b>100.0%</b>	<b>0.8</b>	<b>15.6%</b>	<b>4.6</b>	<b>84.4%</b>
<b>TOTAL</b>	<b>65.2</b>	<b>100.0%</b>	<b>36.6</b>	<b>56.1%</b>	<b>28.6</b>	<b>43.9%</b>

Source: RKG Associates, Inc., 2015

A preliminary traffic signal warrant analysis was prepared for the Gateway Crossing median opening assuming build-out of the undeveloped parcels shown in Concept Plan Area - East and reasonable distribution of trips to multiple access points. The analysis was also based on projected through-traffic on Gateway Crossing in the 20-year horizon scenarios analyzed in the VDOT Interchange Modification Report (IMR). The initial results indicated that standard 8-hour traffic signal warrants are not met in the horizon years due to insufficient volume of through traffic on Gateway Crossing. Turning movements leaving the site at the full-movement

access point are, however, projected to be at sufficiently high levels to satisfy a portion of the warrant. Because of the high entering/exiting volumes, traffic departing the site at the median break will experience high delays (level of service F) in the horizon years. In the absence of signalization, provisions may need to be made for U-turns along Gateway Crossing to allow right-turns out of the site and downstream U-turns to head back to the roundabout at US Route 11 and I-81. Additional analyses should be conducted as development applications are prepared to determine the actual projected traffic relative to the available number of access points.

d.) **Conceptual Plan Area - South**

Based on the team’s evaluation of the conditions in the Conceptual Plan Area - South and input received from key stakeholders and property owners, opportunities exist that complement strategies depicted in Conceptual Plan Area – East, including opportunities to build-out the area through infill and redevelopment activities. The conceptual development plan encompasses approximately 102 acres, including 77 acres of largely undeveloped land (Table 8-4).

This pedestrian network should be extended along US Route 11 south and connect to potential improvements along Old Route 604 (Figure 8-8). A complete pedestrian linkage could serve as a vital link connecting commercial businesses and restaurants and other area amenities. Similar to other plan areas, as future development and redevelopment activity occurs, sidewalk connections should be completed to improve mobility opportunities for pedestrians and non-vehicular traffic. Likewise, the Route 11 corridor in this area lacks a defined streetscape in some areas and it is perceived as an unsafe by pedestrian. A photo simulation of the Route 11 streetscape shows that lack of pedestrian amenities and access and what could be done to soften the area.

**Table 8-4**  
**Exit 150 Study Area: South**  
**Land Area of Potential Development/Redevelopment Parcels**  
**Botetourt County, Virginia**

	Total		Vacant Land		Improved/ Underutilized	
	Count	% of Total	Count	% of Use	Count	% of Use
<b>HIGH POTENTIAL</b>						
Accommodation	0.0	0.0%	0.0	0.0%	0.0	0.0%
Agricultural/Unimproved	18.8	24.5%	18.8	100.0%	0.0	0.0%
Automotive/Transportation	0.5	0.6%	0.0	0.0%	0.5	100.0%
Industrial/Warehouse	0.0	0.0%	0.0	0.0%	0.0	0.0%
Residential	57.2	74.5%	0.0	0.0%	57.2	100.0%
Retail/Service	0.4	0.5%	0.0	0.0%	0.4	100.0%
Public/Exempt	0.0	0.0%	0.0	0.0%	0.0	0.0%
<b>Total</b>	<b>76.9</b>	<b>100.0%</b>	<b>18.8</b>	<b>24.5%</b>	<b>58.0</b>	<b>75.5%</b>
<b>MODERATE POTENTIAL</b>						
Accommodation	5.0	19.9%	0.0	0.0%	5.0	100.0%
Agricultural/Unimproved	0.0	0.0%	0.0	0.0%	0.0	0.0%
Automotive/Transportation	14.9	58.9%	1.6	10.9%	13.2	89.1%
Industrial/Warehouse	0.0	0.0%	0.0	0.0%	0.0	0.0%
Residential	1.0	3.9%	0.0	0.0%	1.0	100.0%
Retail/Service	4.4	17.4%	0.0	0.0%	4.4	100.0%
Public/Exempt	0.0	0.0%	0.0	0.0%	0.0	0.0%
<b>Total</b>	<b>25.2</b>	<b>100.0%</b>	<b>1.6</b>	<b>6.4%</b>	<b>23.6</b>	<b>93.6%</b>
<b>TOTAL</b>	<b>102.1</b>	<b>100.0%</b>	<b>20.5</b>	<b>20.0%</b>	<b>81.7</b>	<b>80.0%</b>

Source: RKG Associates, Inc., 2015



Figure 8-8



Conceptual Plan Area - South

- **US Route 11 and Old Route 604 Road and Intersections Modification** – Depending on the development/redevelopment activity at this location, additional intersection improvements up to and including traffic signalization may be needed to provide adequate access for turning movements to/from Old Route 604. The addition of a potential connection through to the US Route 220/Gateway Crossing intersection could significantly alter traffic patterns and side street traffic demand on Old Route 604. Initial results of traffic re-assignments conducted in the section below suggest that future traffic conditions at this intersection may not warrant traffic signalization; however, at a minimum, pedestrian accommodations and striping improvements may be warranted to improve walkability and safety for pedestrians as traffic and development activity increases at this location. If signalization is warranted, the intersection is at an acceptable distance (>1,100') south from the US Route 220/US

Route 11 traffic signal to meet VDOT's minimum Access Management Spacing requirements between signals.

- **US Route 220/Gateway Crossing Drive** – VDOT's interchange project will result in a new signalized T-intersection where the proposed Gateway Crossing connects with US Route 220. As part of this market study, the concept of adding a fourth leg to the south side of the intersection to create a through connection to Old Route 604 was identified as a potential transportation network improvement offering the following benefits:
  - Providing more convenient vehicular and non-vehicular (bicycle/pedestrian) connections between development south of US Route 220 and along Gateway Crossing Drive
  - Relieving demand for local north-south traffic on US Route 11
  - Filling out an portion of an overall grid network of streets east of Exit 150 to provide sustainability to the interchange improvements

As a T-intersection, the VDOT IMR's 20-year horizon evaluation indicates a very high level of functionality at this intersection (LOS B during peak hours); with the addition of a fourth leg, assumptions for trip re-routes and added development traffic, the study team's preliminary analyses suggest that the intersection would continue to function with adequate LOS (C or D) under the 20-year horizon with protected left-turn phasing (to maximize safety) on all approaches. A formal analysis of this transportation network improvement should be conducted by the County (or with future development applications for this portion of the study area) to document more fully the traffic demands, traffic signal modification requirements, and other operational aspects for VDOT review and concurrence.

A large undeveloped tract of land (Smith-Mabey) existing within the south study area offers positive opportunities for commercial development due to its visibility along I-81 and Route 11. Although topographic conditions within the property will restrict complete utilization, portions of the property could be successfully developed with cross-parcel connectivity with a range of commercial uses.

## **E. TRUCK PARKING AND TRAFFIC DEMAND**

Truck traffic on I-81 and on US Route 220 will continue to increase in the coming years, and the growing deficit of long-term parking for heavy commercial vehicles will continue to be a burden shared by property owners at interchanges along I-81 as well as by VDOT, given the tendency for many trucks to park illegally on exit ramp or access road shoulders. As truck drivers adapt to the closure of the Travel Centers of America truck stop and the pending interchange improvements, truck drivers may find alternate locations along I-81 to stop for short-term and long-term parking. This may dissipate the current issues with overflow and illegal parking in the Exit 150 study area; however, it is reasonable to assume that problems will continue to persist and perhaps continue to worsen in the coming years. A passive, "do nothing" approach may likely lead to a worsening of the current problems, which could hinder efforts to implement the Plan's action steps.

Potential options to mitigate this challenge include:

### **1. Short-Term Parking**

- Collaborate with VDOT to evaluate options to construct a large truck-oriented rest area (or parking field) along northbound I-81, either in Botetourt County or further to the north.

- Expand truck parking at VDOT's other northbound and southbound rest areas in the I-81 corridor

## 2. **Overnight/Long-Term Parking**

- The County may consider options for permitting and construction of a replacement truck stop elsewhere in the County
- The County may modify its development ordinances to requires some fraction of parking for all new development in the study area (i.e. restaurants, hotels, etc.) to require that some fraction of their parking be for commercial trucks.

## F. **RECOMMENDATIONS**

### 1. **Land Use Planning**

- Further develop sub areas with the study area with cross agreements or memorandums between property owners, Botetourt County and VDOT.
- Consider the creation of an overlay district in cooperation with stakeholders and property owners that can provide guidance, incentives and opportunities for future and infill development.

### 2. **Bicycle / Pedestrian System**

- Develop master plan within study area for bicycle/pedestrian/AT connectivity and partnerships
  - Use VDOT Exit 150 Reconstruction as springboard
  - Refine and integrate connectivity and routes presented in the 2015 Roanoke Regional Pedestrian Vision Plan
  - Evaluate/modify ordinances to require frontage pedestrian and/or bicycle infrastructure
  - Maximize use of street frontage, utility easement, rail, or other linear pathways for creating local and regional connectivity
- Evaluate opportunities with VDOT (i.e. grant funding) to enhance safety of the existing AT crossing on US Route 220.
- Leverage County's eco-tourism industry with recreational opportunities and connectivity with AT and Exit 150 area bicycle and pedestrian network.
- Streetscape/Signage and Wayfinding
  - Further develop the streetscape edge conditions with signage, wayfinding, lighting and landscaping strategies presented on the conceptual land use plan and conceptual sections to create a study-wide program to guide future development.

- **Commercial Truck Parking Demand**

- Short-Term Parking

- Collaborate with VDOT to evaluate options to construct a large truck-oriented rest area (or parking field) along northbound I-81, either in Botetourt County or further to the north.
    - Expand truck parking at VDOT's other northbound and southbound rest areas in the I-81 corridor

- Overnight/Long-Term Parking

- The County may consider options for permitting and construction of a replacement truck stop elsewhere in the County
- The County may modify its development ordinances to require some fraction of parking for all new development in the study area (i.e. restaurants, hotels, etc.) to require that some fraction of their parking be for commercial trucks
- **VDOT Park & Ride**
  - Pursue construction of new/expanded Park & Ride facility in conjunction of potential future Fralin & Waldron property; OR
  - Pursue construction of new Park & Ride facility in cooperation with VDOT, and ATC land swap partnership, in the SW quadrant of the US Route 220/Commons Parkway intersection.
  - Coordinate with VDOT to prepare a feasibility study for a Park & Ride facility (100-200 spaces) on the former Travel Centers of America truck stop parcel. Right-in/right-out access from US Route 220 and potential right-in access from the Exit 150B slip ramp should be evaluated. Pursue VDOT access management exception request(s) to support the project as required.
- **Gateway Crossing Access Plan**
  - Work with development community and VDOT to prepare traffic impact analyses for future developments with planned access to Gateway Crossing. County should strive to uphold minimum entrance spacing along Gateway Crossing consistent with VDOT Access Management standards.
  - Solutions should strive to balance access and throughput while taking a “do no harm” approach toward the roundabout and interchange operations just to the west.
- **US Route 220/Gateway Crossing Intersection Expansion**
  - Prepare a roadway connectivity and circulation study to evaluate the feasibility and potential benefits of creating a southern roadway connection to intersection (creating 4-leg intersection) in conjunction with future development
  - Work with VDOT and development community to construct the fourth leg and connection to Old Route 604
- **US Route 220 / I-81 SOUTHBOUND Ramp/Tinker Mountain Road Intersection Realignment**
  - Work with development community and VDOT to prepare traffic impact analyses for future developments along Tinker Mountain Road. Because of proximity to the interchange and need to realign I-81 SOUTHBOUND off-ramp, an interchange modification report (IMR) will be required, which will require significant involvement from VDOT and may require involvement from the FHWA.
  - Significant funding will need to be identified to construct the potential necessary improvements, including the acquisition of right-of-way from multiple parcels.
  - Solutions should strive to balance access and throughput while taking a “do no harm” approach toward the adjacent interchange operations.
  - Pursue opportunity to realign Tinker Mountain Road and convert the remnant of existing Tinker Mountain Road into a shared-use path

- Pursue partnership opportunity with developers and VDOT to relocate/expand the existing Tinker Mountain Road Park & Ride lot within a new development along Tinker Mountain Road; or create a shared-parking agreement with developer.

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# 9 IMPLEMENTATION STRATEGY

## A. INTRODUCTION

The following section details some of the more important implementation elements of the Exit 150 Market Study and Conceptual Plan. The implementation of this plan will take many years and will be based on incremental steps. These steps are designed to address the Board of Supervisors' and community's goal of revitalizing and Exit 150 area and creating a new visual gateway and economic hub for Botetourt County.

The implementation strategy organizes the action steps into five priority topic areas most relevant to reaching the goals and objectives of the Exit 150 Master Plan. These categories include: [1] Implementation Organization, [2] Site Access, Circulation and Parking, [3] Land Use Planning, Zoning and Site Development [4] Public Infrastructure Improvements, and [5] Public Financing and Development Incentives. The policy direction contained in this plan were shaped by the input from an Exit 150 Steering Committee comprised of key property owners, business owners, County staff and civic leaders. The plan contains both a market-based analysis and a conceptual land development plan that identifies the range of potential land uses that could occur in the future and their most beneficial location.

While this plan offers a desirable long-term vision for the Exit 150 area, Botetourt County cannot compel private property owners to sell, develop, or redevelop their property to carry out its vision. Its ability to persuade may produce some success but only partial achievement of the vision. And individual property owners, even if well-intentioned, will not be able to marshal the resources or the support of other property owners on a scale sufficient to achieve this vision. It is only through a cooperative partnership of all the parties that the implementation of such a plan be achieved. The consultants believe that success will require Botetourt County Government to take an active role in the leveraging of both public and private resources and bringing together the essential parties to achieve success on a project-by-project basis.

The Exit 150 Market Study and Conceptual Master Plan communicates an Exit 150 revitalization vision that should serve as a blueprint to direct the efforts of all parties in a targeted and coordinated fashion. Other strategic implementation roles identified as appropriate for the County Government include:

### ***Organizational Leadership***

- Convene key redevelopment players – Botetourt County should identify and convene the key players inside and outside government at all levels to address plan implementation in a comprehensive and coordinated approach. This process has already been initiated in large measure through the formation and involvement of the project Steering Committee and engagement of major players such as VDOT and the U.S. Department of Interior. It is critical to the success of this undertaking that the momentum created through the master planning process be sustained and built upon as efforts move forward.

- Facilitate plan initiatives – Botetourt County should identify and facilitate various competing interests (e.g., County departments, federal and state agencies, property owners, business owners, private developers, etc.) and provide strategic direction and support for key implementation partners.
- Set development/redevelopment standards and coordinate efforts - The efforts of all parties should be coordinated to maximize their impact and effectiveness. This includes the work of County departments, lending institutions, private developers, property owners and other players. The County can also set standards for development/redevelopment through its planning and regulatory efforts.

### **Development Partner and Funding Source**

- Lender/public subsidies – A coordinated development program will require public investments to improve infrastructure, provide amenities and/or subsidize development activity. While not the primary source of funding, the County should be prepared to play a greater financial role, particularly to advance local revitalization priorities or when no other funding source exists.
- Redeveloper/deal maker - Being able to reshape the direction and outcome of a project area often requires involvement in the deal. Complex redevelopment projects often occur as public/private partnerships, with both parties assuming and sharing in the investment and development risk. Many of the initiatives recommended for the Exit 150 Conceptual Master plan will involve negotiations with federal and state governmental agencies, tasks that will be well suited for high level County officials.

Many of the following actions are recommended within the first five years of plan implementation in order to facilitate mid-term (6 to 10 years) and long term (10-plus years) success. The implementation action plan should maintain sufficient flexibility to respond to changing market forces and the circumstances at hand. An implementation matrix at the end of this chapter summarizes the full range of objectives and corresponding action items for consideration to effectively implement the revitalization of the Exit 150 area. More detailed descriptions of selected key recommendations and their implications for the Exit 150 area are contained below.

## **B. IMPLEMENTATION ORGANIZATION**

### **1. Creation of an Economic Development Authority (EDA)**

Given the task at hand, Botetourt County Government does not currently possess the organizational expertise or the capacity undertake the numerous and complex tasks that will be required for successful implementation. Early action steps can be undertaken through the deployment of existing department resources in the short-term, but successful implementation will require a more aggressive organizational response in the long-term. In order to address the full range of issues related to Exit 150 development, the County must create an organization with the technical expertise, full-time staff resources, and the powers and authorities required to respond to the challenge – in its size, scale and complexity.

The initial step in creating the “Economic Development Authority” (EDA) is to establish an organization and board structure that will ensure the Exit 150 area revitalization remains the primary focus. The EDA is one of the oldest, most well established vehicles for providing economic development powers, financing and incentives for revitalization and redevelopment. EDAs are used to finance governmental infrastructure, to serve as a conduit to pay incentives, and to acquire, build and lease or sell real

estate. EDAs have increasingly been used to facilitate development of nonprofit and governmental facilities and housing. Typically, an EDA financing for governmental facilities involves a “pledge” of general fund revenues. Although the pledge is subject to annual appropriation, the typical EDA financing is not limited to a particular revenue source and is likely to be more marketable and bear a lower interest cost than the special tax district or tax increment financing options discussed below.

## 2. Statutory Authority

EDAs get their statutory authority from the Industrial Development and Revenue Bond Act, Sections 15.2-4900 – 15.2-4920 of the Code of Virginia. An EDA is created by ordinance of the governing body of the locality. There is no public hearing requirement other than the public hearing applicable to the adoption of ordinances by a county.

## 3. EDA Powers and Authorities

- a.) Issuance of Bonds - An EDA is authorized to issue bonds for any of its purposes including payment of the cost of “authority facilities.” Authority facilities are defined as:
- b.) Serve as Conduit for Incentives/Provide Shell Buildings or Industrial Parks - An EDA is authorized to acquire by purchase, exchange, gift, lease or otherwise and to improve, maintain, equip and furnish authority facilities, including real and personal property and to lease, sell, exchange, donate and convey its facilities or properties (Section 15.2-4905, paragraphs 4, 5 and 6). Paragraphs 12 and 13 of Section 15.2-4905 authorize EDAs to borrow money and accept contributions, grants and other financial assistance from federal and Commonwealth governmental entities for or in aid of authority facilities or to make loans or grants in furtherance of the purposes of the Act, including for the purposes of promoting economic development.
- c.) Forgive Loans - EDA is also expressly authorized to forgive loans if it is deemed to further economic development.
- d.) Hold Real Estate - Section 15.2-4917 authorizes a locality to acquire, but not by condemnation, a facility site and transfer it to an EDA. This section provides that the locality may transfer the site without regard to the requirements, restrictions, limitations or other provisions contained in any other general, special or local law, presumably dispensing with the requirement of a public hearing before a locality may convey its property.
- e.) Accept Financial Appropriations - Section 15.2-953 expressly authorizes a locality to make gifts, donations and appropriations of money to an EDA for the purposes of promoting economic development.
- f.) Receive County Property - Section 15.2-1205 authorizes the governing body of a county to give, lend or advance funds or other county property to any authority created by it. The foregoing seems to provide ample authority for a locality to use its EDA to provide funds or other property as an incentive for economic development.
- g.) Providing Performance-based Grants - There are a number of non-bond mechanisms for moving incentive grant funds from a governing body to a business being incentivized to locate or expand in a locality. One of the most effective is the “performance-based grant.” While the Virginia constitution forbids local governing bodies from lending funds to private businesses, it has been well established that a locality may make a grant to an authority, which can then make a grant to the business to be incentivized.<sup>1</sup>

<sup>1</sup> “Financing Tools Available to Virginia Localities to Facilitate Economic Development and Redevelopment,” Virginia Industrial/Economic Development Authorities Institute, William L. Nusbaum and Williams Mullen May 21–22, 2013.

#### **4. EDA Board of Directors and Staff**

An independent board of directors should be appointed by the Board of Supervisors to oversee activities of the EDA. It is recommended that the new board membership is separate and distinct from the Board of Supervisors, so that it is one step removed from County politics and inevitable leadership turnover associated with elected boards. Complex redevelopment projects of this size can take decades to complete and leadership stability is a valuable and necessary asset. Members of the board should have an understanding of real estate as much of the EDA's initiatives will be related to real estate development and redevelopment.

A senior level professional is necessary to run the authority and lead the County's effort. The director must have real estate expertise and the ability to negotiate complex deals with VDOT, DOI, developers, property owners and businesses. This position also requires this individual to be able to build relationships and work with all of the County's implementation partners to ensure seamless coordination and action. Strong interpersonal skills are a necessity. The director's primary responsibilities should include:

- Coordinate the activities of County departments, other government agencies, professional planners and consultants, and private property owners and development partners.
- Ensure oversight and focus on public improvements, regulatory and redevelopment activities in the Exit 150 area.
- Serve as the County's representative on real estate transactions and the County's key point of contact to facilitate actions such as transportation improvements that will support desirable development/redevelopment in the Exit 150 area.
- Develop, negotiate, and administer real estate transactions on behalf of the County.
- Manage contracted consultants for special projects such as transportation improvement and parking studies, small area plans, corridor studies, etc.
- Identify and seek to access funding sources and mechanisms for financing public improvements and attracting private development interest to the Exit 150 area.

The new EDA will require support staff to effectively implement the plan. It is recommended that support staff comprise one part or full time individual in the short term, with the potential of adding additional staff members as efforts increase and expand.

#### **C. RESOLVING SITE ACCESS, CIRCULATION AND PARKING ISSUES**

The Exit 150 interchange project will have implications, both positive and negative, for businesses and properties within the study area. In certain instances, access to opportunity sites is currently unavailable or impeded, thereby preventing the full realization of their economic potential. In this regard, the County has an important role to play in helping to resolve these issues to pave the way for redevelopment to occur.

All transportation and access solutions should take a "do no harm" approach to the Exit 150 revitalization at a minimum, and ideally strive to enable revitalization initiatives. The following recommendations are presented in the context of maximizing opportunities for revitalization, either through the mitigation of negative impacts as a direct result of the Interchange project, or the reconfiguration of existing and planned infrastructure in a way that is more accommodating to revitalization.

### **1. Conceptual Plan Area – West (Tinker Mountain Road)**

The conceptual land use plan shows significant development opportunities for large, undeveloped land parcels off Tinker Mountain Road currently zoned for commercial and agricultural uses. However, the development potential of these parcels is constrained by the lack of suitable site access. Also, development of these properties will require dedicated site access and a signalized intersection that currently does not exist. The County can help facilitate the resolution of these access constraints and can bring all the respective parties to the table under public/private development agreement. The final resolution will require a collective deal between VDOT, the ATC, property owners and Botetourt County.

### **2. Conceptual Plan Area – North (VDOT Frontage Property)**

In addition, valuable commercial frontage land in the *Conceptual Plan Area - North* along US Route 220 is currently owned by VDOT and identified as a potential Park & Ride facility. While a Park & Ride facility is needed, it would represent an underutilization of a prime, 4-acre commercial site located off US Route 220, less than a mile from the interstate. A top priority and early action item for the Economic Development Authority should be to start the process of unlocking the full tax base and economic development potential of these areas. It is possible that a smaller Park & Ride facility could be incorporated into a larger commercial development and be shared by Appalachian Trail hikers.

### **3. Conceptual Plan Area – East (Former Truck Stop and Old Route 604 Redevelopment)**

The former TA truck stop on US Route 11 is currently being proposed as a stormwater management area, with no active use of the site. While there are logical reasons to restrict the use of this property, allowing no active use creates a challenge for the County in its efforts to create a new and attractive gateway into Botetourt County at Exit 150. The consultants are recommending that the site have very limited right-in-right-out access to allow for a 100-200 space Park & Ride facility and a passive recreation park on the balance of the site; created and maintained by the County. That way this large, centrally located site would serve several important functions without significantly impeding the flow of traffic through the interchange. The EDA should work in partnership with VDOT to identify a more viable low impact use for this valuable property.

The *Conceptual Plan Area - East* also contains a significant contiguous cluster of undeveloped land, and commercial, industrial and agricultural sites in the northeast quadrant of Route 11 and Cloverdale Road. As currently planned, VDOT roadway improvements in this area will have the effect of restricting access to the existing commercial uses along US Route 11 between the proposed traffic circle and Cloverdale Road, as well as the undeveloped land located on the hill behind the Pilot gas station. Current site access points seem overly restrictive and could greatly impact the commercial value of this property. In order to ensure this area's future viability, the Economic Development Authority should work with the development community and VDOT to prepare traffic impact analyses for future developments with planned access to Gateway Crossing, with the objective of maintaining the viability of existing businesses and the development potential of the real estate.

## **D. PUBLIC FINANCE**

The County will need additional financing tools to pay for infrastructure and capital improvements and to encourage development and redevelopment in the Exit 150 area. A number of financing tools are available to Virginia localities that can provide additional revenue sources to supplement their general fund revenues, such as Community Development Authorities, tax increment financing, real estate tax abatements, and local option sales taxes. These financing tools are described in more detail below.

## 1. Community Development Authorities

Community Development Authorities (CDAs), often called special tax districts in other states, were designed to finance and develop infrastructure and other improvements on a more comprehensive or timely basis in a particular area than might be desirable using traditional governmental financing, private financing or proffers. Cities, towns and certain counties may create community development authorities and issue tax exempt revenue bonds to develop and manage facilities and services including roads, parking, utilities, streetlights, landscaping, security, maintenance, recreation, schools, etc. A separate and additional tax on real estate may be assessed to pay the debt service on the bonds. (Code of VA, Sections 15.2-5152 through 5158 and 15.2-5125 through 5133).

CDAs are authorized to issue revenue bonds to pay the costs associated with the improvements listed above. Bonds of the CDA are payable solely from revenues of the CDA. Legislation authorizes a CDA to request annually that the municipality levy and collect an annual special *ad valorem* real estate tax on property within the district. The tax is levied and collected by the locality, not the CDA. It is limited to \$0.25 per \$100 of assessed value unless a greater tax is requested by all the landowners in the district. The taxes are collected and paid to the CDA by the locality.<sup>2</sup>

## 2. Tax Increment Financing (TIF)

Any locality may create TIF districts to stimulate private investment in development project areas. TIF district boundaries are set and the current or "base assessed value" of tax revenue is determined. In the ensuing years the base value continues to go to the locality's general fund, but any increase in revenue due to redevelopment (the increment) is placed in a separate TIF Fund. No additional taxes are levied, but rather the increase in tax collections resulting from the development or redevelopment in the district is pledged to repay infrastructure financing. TIF funds are usually used to pay off debt incurred to provide redevelopment incentives such as land assembly and site preparation, infrastructure improvements, etc. (Code of VA, Sections 58.1-3245 through 3245.5).

### a.) TIF by Agreement

In many TIF financings in Virginia, the TIF statute is not used. The locality simply enters into an agreement with a CDA or its Economic Development Authority to pay over certain incremental tax revenues. This approach affords more flexibility than the TIF statute. The locality may determine by agreement which tax revenues and what percentage of those revenues it is willing to pay over for certain development. It may establish any year as the base year. Bonds secured under a TIF by agreement would need to be issued by a CDA, Economic Development Authority or other qualified issuer and not by the locality.<sup>3</sup>

## 3. Real Estate Tax Abatement

Local governments may "provide for the partial exemption from taxation of real estate on which a structure no less than 20 years of age has been substantially rehabilitated." Taxes are paid on the pre-rehab value of the building for up to fifteen years, and can apply to residential, commercial or industrial properties. This has been substantially revised as of July 1, 1995. (Code of Virginia, Sections 58.1-3220 and 3221). Real estate tax abatement of up to 25 years is also allowed for hotel/motel properties at least 35 years of age which are rehabilitated for residential use. The abatement may be up to 90% of the structure's value after renovation. Real estate tax abatements are best suited for blighted or brownfields sites that are not generating local tax revenues and the cost of redevelopment is prohibitive. They are not typically used where market forces are adequate to support development. (Code of VA, Section 58.1-3220.01).

<sup>2</sup> Financing Tools Available to Virginia Localities to Facilitate Economic Development and Redevelopment, Nusbaum, William, Virginia Industrial/Economic Development Authorities Institute, 2013

<sup>3</sup> ibid

#### **4. 1% Local Option Sales Tax for Economic Development**

The council of any city and the governing body of any county which has levied or may hereafter levy a city or county sales tax under [58.1-605](#) may levy a city or county use tax at the rate of one percent to provide revenue for the general fund of such city or county. Such tax shall be added to the rate of the state use tax imposed by this chapter and shall be subject to all the provisions of this chapter, and all amendments thereof, and the rules and regulations published with respect thereto, except that no discount under [58.1-622](#) shall be allowed on a local use tax. Botetourt County is currently using its local option sales tax authority. If possible, these revenues could be used to underwrite the partial cost of operating the EDA. Even with a small staff of an Executive Director and two staff people, the cost of the operation would be \$200,000 to \$250,000 per year.

#### **E. EXIT 150 IMPLEMENTATION PLAN MATRIX**

The following Exit 150 Conceptual Master Plan Implementation Matrix contains a series of strategic objectives and the actions necessary to implement a comprehensive revitalization strategy. The implementation matrix identifies the agencies or organizations responsible for implementation of the above action items, the relative timing of each action, and a rough estimate of cost. The cost estimates are “order of magnitude” estimates for planning purposes only.

BOTETOURT COUNTY EXIT 150 MARKET STUDY AND CONCEPTUAL PLAN Implementation Matrix		Implementation Lead		Implementation Timing (Years)							Estimated Cost	
		Public/NP	Private	1	2	3	4	5	6 to 10	10+		
<b>IMPLEMENTATION ORGANIZATION</b>												
<b>GOAL: To create the organizational capacity to implement the Exit 150 redevelopment strategy</b>												
<b>Recommendation #1:</b>	<b>Create a County Economic Development Authority dedicated to the implementation of the Exit 150 redevelopment and other economic development initiatives</b>											
Action 1:	Create Botetourt County Economic Development Authority as public/private partnership to lead Exit 150 implementation effort	CA,BOS	PO,BO									C
Action 2:	Board of Supervisor appoints members of the EDA Board of Directors to adopt bylaws, set EDA mission	BOS										A
<b>Recommendation #2:</b>	<b>Use the powers and authorities granted to facility (re)development in the Exit 150 study area</b>											
Action 1:	Examine opportunities to assemble key properties to facilitate important redevelopment opportunities in cooperation with developers and property owners who propose plans consistent with the county's vision for Exit 150	EDA	PO,D,C									A
Action 2:	Consider the creation of a special financing district to help fund infrastructure improvements and other redevelopment activities	EDA,CA,BOS	PO									A
Action 3:	Hire an experienced Executive Director and small support staff to coordinate the County's efforts to improve the Exit 150 area and work in partnership with property owners, business owners, real estate developers, the Board of Supervisors and residents	EDA,CA										C
<b>Recommendation #3:</b>	<b>Seek annual funding commitments to operate EDA</b>											
Action 1:	Seek partnership support from Exit 150 businesses and property owners for 1/3 of EDA annual budget	EDA	PO,BO									A
Action 2:	Create a Exit 150 Special Taxing District to partially fund the EDA and to provide business recruitment, marketing and land development services to the study area	EDA,CA	C									A
<b>SITE ACCESS, CIRCULATION AND PARKING</b>												
<b>GOAL: To improve access to key development parcels in the Exit 150 study area to increase the tax base, create jobs and expand housing options</b>												
<b>Recommendation #1:</b>	<b>Work in partnership will all key stakeholders to unlock development potential of vacant land located off Tinker Mountain Road</b>											
Action 1:	Meet with VDOT to examine the potential to relocate the SB exit ramp at Exit 150 to a new alignment with Tinker Mountain Road and create a new signalized intersection at that location	CA,EDA,VDOT	C									A
Action 2:	Work closely with key property owners to discuss future development options for undeveloped land off Tinker Mountain Road	EDA	PO									A
Action 3:	Study the feasibility and costs associated with the relocation of the SB exit ramp and the new traffic signal	CA,EDA,VDOT	C									C
Action 4:	Work closely with ATC/National Park Service to negotiate a land swap of a sliver of land for access to private property off Tinker Mountain Road	EDA,ATC	PO									B
Action 5:	Work with development community and VDOT to prepare traffic impact analyses for future developments along Tinker Mountain Road. Because of proximity to the interchange and need to realign I-81 SB off-ramp, an interchange modification report (IMR) will be required	EDA,VDOT	PO,D,C									C
Action 6:	Identify funding options to construct the potential necessary improvements, including the acquisition of right-of-way from multiple parcels	EDA,CA,VDOT										A
Action 7:	Pursue opportunity to realign Tinker Mountain Road and convert the remnant of existing Tinker Mountain Road into a shared-use path	EDA,VDOT	PO,D,C									F
Action 8:	Pursue partnership opportunity with developers and VDOT to relocate/expand the existing Tinker Mountain Road Park & Ride lot within a new development along Tinker Mountain Road; or create a shared-parking agreement with developer	EDA,VDOT	PO,D									F
<b>Recommendation #2:</b>	<b>Work in partnership with VDOT and key property owners to provide suitable site access to undeveloped land behind the Pilot gas station off US Route 11</b>											
Action 1:	Work with property owners to discuss future development of this site and the best way to access the interior of the site and frontage lots on US Route 11	EDA	PO,BO,D									A
<b>Recommendation #3:</b>	<b>Prepare Gateway Crossing Access Plan</b>											
Action 1:	Work with development community and VDOT to prepare traffic impact analyses for future developments with planned access to Gateway Crossing Drive. County should strive to uphold minimum entrance spacing along Gateway Crossing Drive consistent with VDOT Access Management standards	EDA,VDOT	C									B
<b>Recommendation #4:</b>	<b>Examine opportunity to connect new VDOT road connection at Alt 220/Cloverdale Road to Old Route 604</b>											
Action 1:	Prepare a roadway connectivity and circulation study to evaluate the feasibility and potential benefits of creating a southern roadway connection to intersection (creating 4-leg intersection) in conjunction with future development	EDA,VDOT	C									B
Action 2:	Work with VDOT and development community to construct the fourth leg and connection to Old Route 604	EDA,VDOT										E
Action 3:	Work with property owners and developers on future redevelopment plans for the area between Alt US Route 220 and Old Route 604	EDA	PO,BO									A
<b>GOAL: To limit the future impact of truck parking and traffic in the Exit 150 study area</b>												
<b>Recommendation #1</b>	<b>Mitigate the challenge associated with truck parking and traffic demand</b>											
Action 1:	Collaborate with VDOT to evaluate options to construct a large truck-oriented rest area (or parking field) along northbound I-81, either in Botetourt County or further to the north	EDA,VDOT										F
Action 2:	Encourage expansion of truck parking at VDOT's other northbound and SB rest areas in the I-81 corridor	EDA,VDOT	PO,D									A
Action 3:	Consider options for permitting and construction of a replacement truck stop elsewhere in the County	PC	PO,D									B
<b>GOAL: To seek the creation of new Park &amp; Ride facilities on both sides of Interstate 81 Exit 150</b>												
<b>Recommendation #1:</b>	<b>Work closely with VDOT to create limited access at former truck stop to accommodate a 200-space Park &amp; Ride facility</b>											
Action 1:	Coordinate with VDOT to prepare a feasibility study for a Park & Ride facility (100-200 spaces) on the former TA truck stop parcel.	EDA,CA,VDOT	C									A
Action 2:	Evaluate operational impacts of a right-in/right-out access to the former truck stop from US Route 220 and potential right-in access from the Exit 150B slip ramp	VDPT	C									B
Action 3:	Pursue VDOT access management exception request(s) to support the use of the former truck stop for a Park & Ride and a passive park	EDA,VDOT										A
Action 4:	Consider acquisition of VDOT Park & Ride property on US Route 220 North for future commercial development and a shared Park & Ride facility	EDA,CA,BOS										F

**Implementation Lead - Legend**

<b>Public</b>	CA - County Administrator PC - Planning Commission	BOS - Board of Supervisors VDOT - VA Dept. of Transportation	EDC - Economic Development Corp. ATC - Appalachian Trail Commission
<b>Private</b>	BO - Business Owners	D - Developer	PO - Property Owners

**Cost Range**

A - \$0-\$25,000	D - \$250,000 - \$500,000
B - \$25,001 - \$100,000	E - \$500,001 - \$1 million
C - \$100,001 - \$250,000	F - \$1 million +

	Task Initiated		Task
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BOTETOURT COUNTY EXIT 150 MARKET STUDY AND CONCEPTUAL PLAN Implementation Matrix		Implementation Lead		Implementation Timing (Years)							Estimated	
		Public/NP	Private	1	2	3	4	5	6 to 10	10+	Cost	
<b>LAND USE PLANNING, ZONING AND SITE DEVELOPMENT</b>												
<b>GOAL: To adopt and implement planning and zoning measures to create opportunities for future (re)development to occur</b>												
<b>Recommendation #1:</b>	<b>Rezone vacant land off Tinker Mountain Road to accommodate a mixed-use development consisting of commercial, apartments and townhome development at higher densities</b>											
Action 1:	Coordinate with key property owners and developers on future development options for this area	EDA	PO,BO	■	■	■						A
Action 2:	Draft a new mixed-use zoning classification that specifically addresses the need for a higher density development in areas designated as urban growth districts (UGD) and designate this area as a UGD	PC			■	■						A
Action 3:	Encourage development plans that incorporate new walking/biking trails and connect to, and capitalize on the Appalachian Trail	PC					■	■	■			A
Action 4:	Encourage the introduction of higher density housing options (e.g., apartments, townhomes, condominiums) as part of any development in this area	PC					■	■	■			A
<b>Recommendation #2:</b>	<b>Consider the benefits of rezoning the mixed business/agriculture/industrial zone between Cloverdale Road and Old Route 604 as B3 Business of SC Shopping Center</b>											
Action 1:	Coordinate with key property owners and developers on future development options for this area	EDA	PO,BO				■	■				A
Action 2:	Draft new commercial zoning for this area and seek adoption	PC						■	■			A
Action 3:	Encourage development plans that achieve a higher utilization of this area for commercial/retail/restaurant or destination retail	PC							■	■		A
Action 4:	Encourage the introduction of higher density housing options (e.g., apartments, townhomes, condominiums) as part of any development in this area	PC							■	■		A
<b>Recommendation #3:</b>	<b>Consider the creation of an Exit 150 overlay zone to allow more integrated mixed-use development in the study area</b>											
Action 1:	Permit shared access driveways to serve more than one property	PC	PO,BO	■	■							A
Action 2:	Allow shared access driveways to serve more than one property	PC	PO,BO	■	■							A
Action 3:	Allow integrated mixed-uses on proposed development greater than 2 acres	PC	PO,BO	■	■							A
Action 4:	Control height and placement of commercial signage in Exit 150 to present an image of quality development	PC	PO,BO	■	■							A
<b>PUBLIC INFRASTRUCTURE IMPROVEMENTS</b>												
<b>GOAL: To make necessary public infrastructure improvements in locations that will stimulate private investment and (re)development</b>												
<b>Recommendation #1:</b>	<b>Make streetscape improvements on US Route 11 south of Cloverdale Road to improve aesthetics and pedestrian amenities</b>											
Action 1:	Further develop the streetscape edge conditions with signage, wayfinding, lighting and landscaping strategies presented on the conceptual land use plan and conceptual sections to create a study-wide program to guide future development	EDA						■	■			F
<b>Recommendation #2:</b>	<b>Improve bicycle/pedestrian system</b>											
Action 1:	Develop master plan within study area for bicycle/pedestrian/AT connectivity and partnerships	EDA	C		■	■						B
Action 2:	Evaluate opportunities with VDOT (i.e. grant funding) to enhance safety of the existing AT crossing on US Route 220	EDA,VDOT		■	■							B
Action 3:	Leverage County's eco-tourism industry with recreational opportunities and connectivity with AT and Exit 150 area bicycle and pedestrian network	EDA,ATC						■	■	■		A
Action 4:	Further develop the streetscape edge conditions with signage, wayfinding, lighting and landscaping strategies presented on the conceptual land use plan and conceptual sections to create a study-wide program to guide future development.	EDA	C					■	■			C
<b>Recommendation #3:</b>	<b>Make streetscape improvements on the eastern segment of Alt. Route 220 from the new signalized intersection to Common Parkway at First Citizens Bank.</b>											
Action 1:	Create a more attractive pedestrian environment	EDA	PO,BO						■	■		F
Action 2:	Coordinate with property owners and developers to redevelop this area for higher & better uses	EDA	PO,BO						■	■		A
<b>PUBLIC FINANCING AND DEVELOPMENT INCENTIVES</b>												
<b>GOAL: To adopt mechanisms for financing public investments in the Exit 150 study area</b>												
<b>Recommendation #1:</b>	<b>Create a synthetic tax increment financing district to finance public infrastructure and related development costs in conjunction with key (re)development projects</b>											
Action 1:	Establish TIF district boundaries from which future tax revenues will be derived from new development above a base-line value	EDA	C	■	■							A
Action 2:	Prepare a Memorandum of Agreement between the Board of Supervisors and the EDA to dedicate TIF revenues to retire EDA infrastructure bonds	EDA,BOS,CA				■	■					A
Action 3:	Work in partnership with VDOT and key property owners to study and fund the relocation of the I-81 SB exit ramp and traffic signal at Tinker Mountain Road	EDA,CA,VDOT		■	■	■	■	■				C
<b>GOAL: To adopt a policy for providing development incentives to assist projects that are consistent with the County's Exit 150 development plan and vision</b>												
<b>Recommendation #1:</b>	<b>Establish criteria for the use of public funds in partnership with other public and private funding to achieve (re)development goals</b>											
Action 1:	Identify (re)development initiatives that require the use of public funds or the powers and authorities of the EDA to be successful	EDA,CA,BOS			■	■						A
Action 2:	Consider the use of declining tax abatements for property owners making significant private investments to redevelop their properties	BOS,CA				■						A

**Implementation Lead - Legend**

Public	CA - County Administrator	BOS - Board of Supervisors	EDC - Economic Development Corp.
	PC - Planning Commission	VDOT - VA Dept. of Transportation	ATC - Appalachian Trail Commission
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■	Task Initiated	■	Task
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