Albemarle County Planning Commission
July 14, 2015

The Albemarle County Planning Commission held a public hearing on Tuesday, July 14, 2015, at 6:00 p.m., at the County Office Building, Auditorium, Second Floor, 401 McIntire Road, Charlottesville, Virginia.

Members attending were Karen Firehock, Tim Keller, Thomas Loach, Cal Morris, Chair; Richard Randolph, and Mac Lafferty, Vice Chair. Bruce Dotson was absent. Julia Monteith, AICP, Senior Land Use Planner for the University of Virginia was present.

Staff present was Rachel Falkenstein, Senior Planner; Megan Yaniglos, Principal Planner; Claudette Grant, Senior Planner; J.T. Newberry, Planner; David Benish, Chief of Planning; Sharon Taylor, Clerk to Planning Commission, Wayne Cilimberg, Director of Planning and Andy Herrick, Senior Assistant County Attorney.

Call to Order and Establish Quorum:

Mr. Morris, Chair, called the regular meeting to order at 6:00 p.m. and established a quorum.

a. <u>ZMA-2015-00005 Out of Bounds</u>
MAGISTERIAL DISTRICT: Jack Jouett
TAX MAP/PARCEL: 06000000006500
LOCATION: Located on Barracks Road (Route 654) across from its intersection with Georgetown Road (Route 656). 225 Out of Bounds Road, Charlottesville, Virginia 22901.
PROPOSAL: To amend the proffers, application plan, and code of development for approved ZMA201200003 Out of Bounds. Additionally, a sidewalk and planting strip modification is requested. No change to maximum allowed density is proposed.
PETITION: Request to amend proffers, application plan, and Code of Development for ZMA201200003 on property zoned Neighborhood Model District (NMD) which allows residential mixed with commercial, service and industrial uses at a density of 3-34 units/acre.
OVERLAY DISTRICT: Entrance Corridor (EC); Airport Impact Area (AIA)
PROFFERS: YES
COMPREHENSIVE PLAN: Neighborhood Density Residential – residential (3-6 units/acre); supporting uses such as places of worship, schools, public and institutional uses and small-scale neighborhood serving retail and commercial in Western Urban Neighborhoods.
(Megan Yaniglos)

Ms. Yaniglos presented a PowerPoint presentation regarding ZMA-2015-00005 Out of Bounds.

This is a request to amend the proffers and application plan for approved ZMA-2012-003. The applicant is also requesting a planting strip modification. The site is located on Barracks Road and Georgetown Road.

The applicant is requesting a change to the affordable housing proffer to allow for sale or for rent affordable townhouse units in lieu of for rent multi-family units. Referring to the previously approved application plan the prior multi-family affordable units were to be two stacked units within one structure. The applicant now prefers to construct single townhouse units each on their own lot and no additional units are proposed.

Minor revisions to the application plan and code of development are also requested as outlined in the staff report. These changes are necessary for the requested affordable housing change.

The applicant is also requesting a subdivision modification variation for the sidewalk and planting strip located along Georgetown Court. During the site construction it was found that the anticipated grading in this area was inaccurate and a 36" retaining wall is needed. The planting strip and street trees would be provided within an easement on the backside of the sidewalk. The Subdivision Ordinance requires the planting strip to be located between the curb and the sidewalk. So the applicant is just requesting to flip that location.

Factors Favorable:

- The rezoning amendment will not change the site layout or intent of the original rezoning.

Factors Unfavorable:
None Identified

Recommendation:
Staff recommends approval of ZMA-2015-00005 Out of Bounds, inclusive of revised proffers and application plan.

Staff also recommends approval of the planting strip variation request with the condition that a six (6) foot landscape easement be established on the back of the sidewalk.

If there were any questions, Ms. Yaniglos said she would be happy to answer them.

Mr. Morris invited questions for staff.

Mr. Randolph asked if staff is not concerned at all about the overall homeostasis of this site between the living quarters and the play area when as a result of a change in the kind of housing units to be used for affordable purposes that the play area shrunk 50 percent.

Ms. Yaniglos replied no, the zoning ordinance actually dictates the size of a tot lot that is required and it is 2,000 square feet. The applicants were providing extra space. However, staff did not have any concerns with them reducing it to what is normally required for this development.

Mr. Keeler asked do we have any sense of how many of the units that are being defined as affordable are actually being sold as affordable as opposed to passing the 90 days and going to the full market value.

Ms. Yaniglos replied she did not have that information. She was unsure if Mr. Benish or Mr. Cilimberg might.

Mr. Benish noted he did not have definite information for the Commission.

Mr. Cilimberg suggested the applicant may want to speak to their process from here. However, reality is until it is actually on the market meeting the requirements of the proffer you won't know. He did not think any of the units were produced with the intent of just waiting out the 60, 90 or whatever days. The units are produced to be marketable and the question is whether or not a qualifying buyer will materialize.

Mr. Keller agreed they have had discussions around this issue, and he understands they will have an opportunity to speak about housing in September. He was just using these projects that are coming up before that as an opportunity to ask questions and get them into the public record. He hoped they would be able to look back last year or the year before, for instance, and see of the ones we are bringing into the community as affordable units just how many of those are actually becoming affordable units. He also realized they are not necessarily going to be sold as affordable units the second time. In fact, most likely most of these will become fair market. However, there is this issue. They have police, fire personnel and teachers that are looking for affordable units, and he was just interested in how that would fit together. He knows that will be a September discussion.

Mr. Lafferty asked if with the affordable units there are 2 residents per lot.

Mr. Yaniglos replied no, that was how it was proposed originally. However, they are now proposing one unit on each lot

Mr. Lafferty asked if there was any possibility the county could buy the lots and then the people just pay for the structure.

Mr. Benish replied the county does not have a program in place for that at this time.

Mr. Loach noted that was a September question.

Mr. Cilimberg pointed out that was part of the discussion of those kinds of options for better assuring production and maintenance of stock in the affordable housing market. He thinks those are a couple of points that would be part of that September work session. Right now there is not a fund so that the county can buy lots. However, there are some newer approaches that are being explored including the use of an entity that Ms. Monteith and Mr. Lafferty have actually been involved with. So that is part of what will be discussed in September.

Mr. Loach pointed out the report says the Director of Housing has reviewed the request and has no objections. He wondered what it means if no objections versus if it is a recommendation. He thinks the language could have been clearer. The second thing he would have liked to have known, which he would not use as a judgement since it was not in the report, is when they are moving from for sale affordable to rental units, which is more in need in the future, it would be helpful to know if he was doing something good or bad.

There being no further questions, Mr. Morris opened the public hearing for applicant and public comment. He invited the applicant to address the Commission.

Vito Cetta explained it was a project that was well underway. In slides of the project he pointed out the community consists of wide townhouses with about ten already sold. It is a very popular product. They sell for $750,000 to $800,000 and are very expensive. There is a real market for frankly people like me who live out in the country and want to downsize. Someone could walk to Barracks Road Shopping Center from this location. It is very much like Kenridge. People seem to prefer this one because the site plan is more compatible to their needs. So it is a successful project.

Mr. Cetta pointed out originally they had the townhouses for rental. However, they now want to have the ability to rent or sell them. He would suggest it is a product that is similar to what was built in Liberty Hall, which all were sold as affordable. That is the good news. The question you had is a very good question. He explained the price of the affordable units are controlled by the Housing Authority, which comes from the state. The current price is $243,000, which is the maximum charge. There are several pieces to it. One, if it does in fact get sold as a market rate unit it gets sold at $243,000 or something around that and there is no reason why it would not. It may be sold to a teacher who really did not qualify because they might make too much money if it is sold as a market rate unit. It may well happen that way.

Mr. Cetta noted these are offered as affordable and there is lots of time for people to show up. However, there are two or three problems they have. One is there is not money around to help with down payment assistance. Piedmont Housing Alliance is right in the middle of it and they have not delivered any potential buyers. They don't have first time buyer seminars or workshops and that market is slipping in the county. They need to do something about it. Also, $243,000 is quite a high number. Literally last year it was like $218,000. So it is a problem that the county needs to address. Again, these are going to be put on the market and offered. The units are in a very expensive neighborhood and are going to be offered as all affordable. However, if they are not sold we would sell them as a market rate unit. It remains on the market if something did not sell for very much anyway. So it may be a market rate unit that sells for $243,000 and be next to an $800,000 house. One of the goals they have in the community is to have a mixture of housing types. The reason for the picture is that a lot is going on here.

Mr. Cetta explained one thing they can learn here is that this project has lots of sidewalks. It has about a mile of sidewalks, which are almost all with a 6' green strip and a 5' sidewalk. They are pretty much all built now. They are looking just to change one portion. One sidewalk is on the parking area and another sidewalk they want to move to the curve. They built one road that has a narrow 2' sidewalk. He pointed out one green strip was 12' and another one is up to 20'. They obviously generally comply with the 6', but have a slope problem here and appreciate the help. In a slide he pointed out Bennington, which was a new road they built. He pointed out the retaining wall and the sidewalk, which is less than 6'. It is one of the few areas they have less than 6' and it works perfectly fine. He pointed out the area they were talking about moving the sidewalk with a short retaining wall.

Mr. Cetta said one other thing he could help with is this project contributes about $650,000 in cash proffers. It is something this project can afford because the lots and homes are expensive. That could be absorbed. If this were a townhouse project that was selling for $300,000 the $14,500 cash proffers would really be a burden. He realized that was not today's issue. However, they do have to remember that in the future. He knows they are addressing that at some level.

Mr. Morris invited questions.

Mr. Randolph asked Mr. Cetta for some help with this because they were wrestling with this as a Planning Commission and in other offices in the county. What Mr. Cetta is saying is that the market is really not there right now in the urban ring for new multi-family housing units. He asked Mr. Cetta if he is saying in his finding there is more demand for single-family units.

Mr. Cetta replied no, he did not say that. This is all townhouses here. The market always likes single-family homes and they are popular right now. Townhouses are not quite as popular. However, the market goes through cycles.

Mr. Keller invited Mr. Cetta to come back when they have the work session on the Fiscal Impact Advisory Committee that has been looking at proffers.

Mr. Cetta replied yes, he definitely will.

Mr. Keller noted they have a couple of developers who are quite involved in that. However, it would be really helpful to hear from more people in the development community about the pros and cons in working through that system.

Mr. Cetta explained as a bit of history they have done projects from about 1995 where there was no cash proffers. It was $800, $1,200 and $3,000 and topped out at $4,200. That was when the market was red hot in 2000. It then got moved to a gigantic number as they know, and then the crash came in 2008. He can't believe that hardly any projects have ever been built with those high proffers because they can't afford them. However, they can afford it here. He figured they would get a lot of resistance unfortunately from that.

Mr. Morris invited public comment. There being none, the public hearing was closed and the matter before the Commission for discussion and action.

Motion: Mr. Lafferty moved and Mr. Loach seconded to recommend approval of ZMA-2015-00005, Out of Bounds subject to the proffers as recommended by staff.

Mr. Morris invited further discussion.

Mr. Keller agreed with Mr. Loach in that he is not going to vote against these and hold one particular project hostage. However, he thinks they really need to be looking at this affordable housing issue and looks forwards to our opportunity to have that conversation in September.

Mr. Morris asked for a roll call.

The motion passed by a vote of 6:0. (Dotson absent)

Ms. Yaniglos pointed out a motion was also needed on the planting strip.

Motion: Mr. Lafferty moved and Mr. Loach seconded to approve the planting strip variation/modification associated with ZMA-2015-00005, Out of Bounds with the conditions and reasons listed by staff.

The motion passed by a vote of 6:0. (Dotson absent)

Mr. Morris noted that ZMA-2015-00005, Out of Bounds would be forwarded to the Board of Supervisors with a recommendation for approval at a time to be determined.

(Recorded and transcribed by Sharon C. Taylor, Clerk to Planning Commission & Planning)