

Summary of FIAC and Planning Commission Recommendations

The Board of Supervisors requested comments and recommendations on credits and an updating of the maximum per unit cash proffer amount by dwelling unit type.

The recommendation is to amend the maximum per unit cash proffer amounts to:

- SFD - \$4,918 (2014 value was \$20,987)
- SFA/TH - \$3,845 (2014 value was \$14,271)
- MF - \$5,262 (2014 value was \$14,871)

The recommendation for credits is:

- Provide credits based on the merit of the development and not based on the maximum per unit cash proffer amount.
- Grant credits for by-right residential development.

Previously, most projects in the Capital Improvements Program (CIP) and Capital Needs Assessment (CNA) could be considered in calculating the maximum per unit cash proffer amount. A change in the Code of Virginia now allows only those items that expand capacity to be considered. This single factor alone would have made for a significant change in the maximum per unit cash proffer amounts. However, the County's own actions further contributed to the reduction. The County has not directed funding of projects towards expansion of capacity. The County's funding focus is on maintenance. Maintenance items are not eligible for consideration when calculating the maximum per unit cash proffer amount. Updating the CNA to include all those facilities associated with the goals of the Comprehensive Plan is recommended. Increasing eligible facilities in the CNA and the CIP will result in an increased maximum per unit cash proffer amount.

The updating of the maximum per unit cash proffer amount by dwelling unit type was a relatively straightforward exercise. It required updating the Cost Revenue Impact Model (CRIM) to account for current per unit factors for: per unit school enrolment, per unit population and per unit traffic generation rates. Then the value of eligible projects from the CIP and CNA were entered.

A detailed summary of the work performed by the Committee may be found in Attachment E.

When considering recommendations on credits both the Planning Commission and FIAC struggled with the significant reduction in the maximum per unit cash proffer amount. The granting of credits would only further reduce the amount of the cash proffer provided by a developer and used by the County to offset the impacts generated by new residential development. In addition to credits offered to recognize existing by-right development potential any credits offered should be for:

- Facilities or improvements provided by the developer to offset the impact of development.
- Development that furthers specific goals of the County.

Implementing credits that recognize development that furthers specific goals of the County will require extensive work by the Planning Commission and FIAC. The discussions about these possible credits included concepts such as:

- Credit for mixed use development either horizontally or vertically mixed.

- Credit for enhanced development standards.
- Credit for development within targeted areas.
- Calculating fiscal impact of providing credits.

It quickly became apparent that the concepts contained within these possible credits were complex and would take significant time and effort to be formalized and developed into a program that could be used reliably and predictably.

Ultimately the recommendation was to request that the Board of Supervisors direct FIAC and the Planning Commission to continue to work on these concepts. If the Board does direct that additional work on the concept of credits FIAC has stated “The Committee feels that explicit credit recommendations should be informed by clear intentions of the County with regard to whether local revenue should be used to offset the costs of development or to create a type of development. The Committee respectfully requests input on this matter and requests the ability to reexamine credit areas with a refined target as to the purpose of credits as a policy tool by the County.”

Any work done to update the CRIM, including using dynamic models, and review of credits should include comparing Albemarle’s policy with policies in other comparable communities.

Due to the significant reduction in the maximum per unit cash proffer amounts it is likely that the County will receive requests to amend previously approved rezonings. The Board of Supervisors should develop rules (communicated very clearly and be publicized) about whether a previously approved project at a much higher proffer could come back, or not, and apply for a rezoning to take advantage of the lesser proffer.