County of Albemarle
Community Development Department – Planning Division

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MEMORANDUM

DATE: August 26, 2025

TO: Albemarle County Board of Supervisors

FROM: Long-Range Planning Team, Albemarle County Planning Division

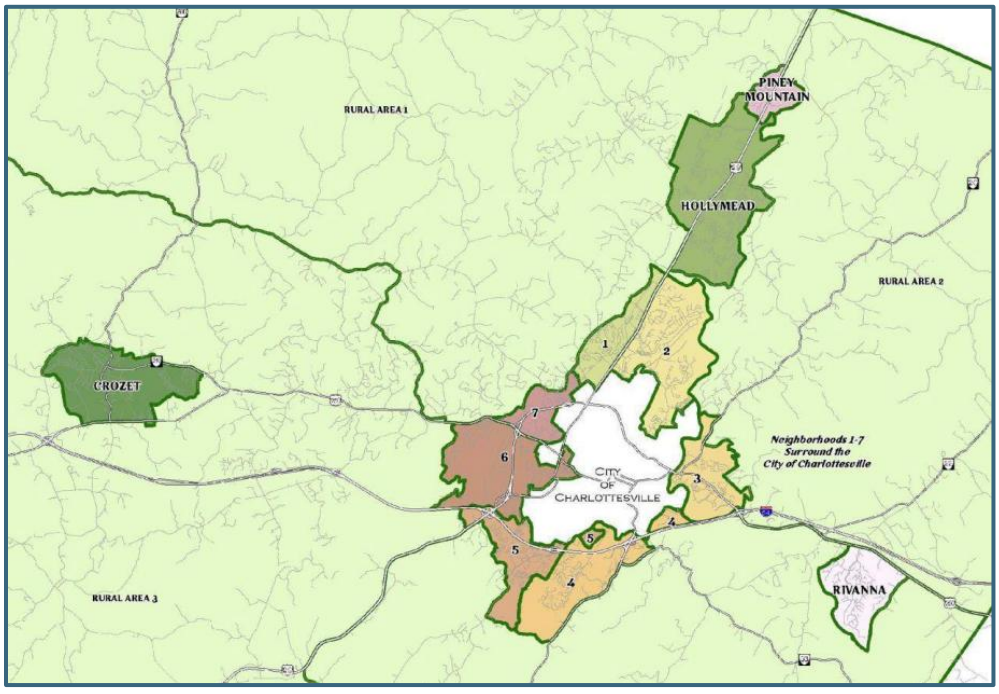
RE: AC44 and the 2025 Land Use Buildout Analysis

Introduction

In early 2022, the first phase of the AC44 Comprehensive Plan update focused on a review of the County's Growth Management Policy. One element of this work evaluated the current Development Areas to establish a baseline understanding of its potential capacity to accommodate future growth and demand. This evaluation was captured in the 2022 Land Use Buildout Analysis.

The 2022 Land Use Buildout Analysis reviewed the County's 20-year population growth projections and the associated need for new housing and businesses. Then, it compared these figures to the maximum theoretical buildout of land within the County's designated Development Areas. This analysis is based on the Comprehensive Plan's future land use designations for Development Area parcels, which are found within the Development Area Master Plans, and their recommended densities and intensities associated with each land use category.

The 2022 Land Use Buildout utilized assumptions based on existing conditions, current trends, and historical development patterns within the County to estimate buildout totals for each of five real estate categories: residential, retail, office, industrial, and hotel.



Albemarle County's Development Areas

The 2025 Land Use Buildout Analysis uses the same research approach and methodology as the 2022 Land Use Buildout Analysis. The updated analysis begins by calculating the Development Pipeline, which refers to either the projects currently under review or projects that have been approved but remain unbuilt within the Development Areas. Then, the remaining land not identified as part of the Development Pipeline but is vacant or has the potential to redevelop is assigned a potential buildout scenario to estimate its capacity. Finally, the Development Pipeline and the buildout scenario are combined to estimate the total theoretical maximum buildout of the Development Areas.

Broadly, redevelopment potential was identified by parcels with land values that were greater than their improvement value; however, each land use type used specific criteria to identify redevelopment potential. A full list of the redevelopment criterion for each land use type begins on page 5 of the 2022 Land Use Buildout Analysis.

Summary of 2022 Land Use Buildout Analysis

Residential Findings

The residential estimates in the 2022 Land Use Buildout Analysis identified 9,377 approved unbuilt units and 5,504 under-review units in the Development Pipeline as of February 2022. The analysis identified the potential for 9,252 additional units beyond the pipeline for a theoretical maximum number of 24,133 new units that could be built in the Development Areas.

Summary of Development Area Residential Pipeline and Buildout Totals

Maximum Remaining Unbuilt Approved Units	Maximum Units Under Review	Residential Theoretical Maximum Buildout Estimate	Total Theoretical Maximum Future Residential Buildout
9,377	5,504	9,252	24,133

The 2022 study concluded that theoretical maximum buildout estimate appears to sufficiently meet the projected 20-year demand based on the forecasted population increase and trends in residential development and occupancy observed in the County between 2010-2021. The estimated demand over 20 years ranged between 11,500 – 13,500 residential units.

Land Use Type	20-Year Demand Forecast		Theoretical Maximum Buildout Estimates			
	Low	High	Max. Approved	Max. Under Review	Max. Buildout Estimate	Total
Residential (units)	11,500	13,500	9,377	5,504	9,252	24,133

Non-Residential Findings

A similar methodology was used to analyze non-residential development. An analysis of the acreage that was vacant or had the potential to redevelop based on certain eligibility criteria was applied to different use-types, including retail, office, hotel, and industrial. This approach calculated the following capacity:

Summary of Development Areas Theoretical Maximum Buildout

Retail/ Commercial Sq.Ft.	Office/ Institutional Sq.Ft.	Hotel Rooms	Industrial Sq.Ft.
1,959,849	2,725,883	2,554	5,565,023

These theoretical maximum buildout figures appeared to sufficiently meet the projected 20-year demand based on the forecasted population increase and observed trends of the County's non-residential development, such as vacancy rates and cost per square foot of space, between 2010-2021.

10- and 20-Year Albemarle County Market Demand Forecasts

Land Use Type	2010-2021 Average Annual Completions	10-Year Demand Forecast		20-Year Demand Forecast	
		Low	High	Low	High
Retail (sq. ft.)	69,444	550,000	700,000	1,000,000	1,300,000
Office (sq. ft.)	39,924	325,000	500,000	750,000	1,000,000
Industrial (sq. ft.)	41,288	450,000	600,000	950,000	1,100,000
Hotel (rooms)	37	350	500	750	900

2025 Land Use Buildout Analysis

There has been notable development activity since the 2022 analysis was completed. Projects have continued to build out and some projects have been completed. Other projects that were previously under review are now approved and under construction. Finally, entirely new projects have been submitted and are now under review.

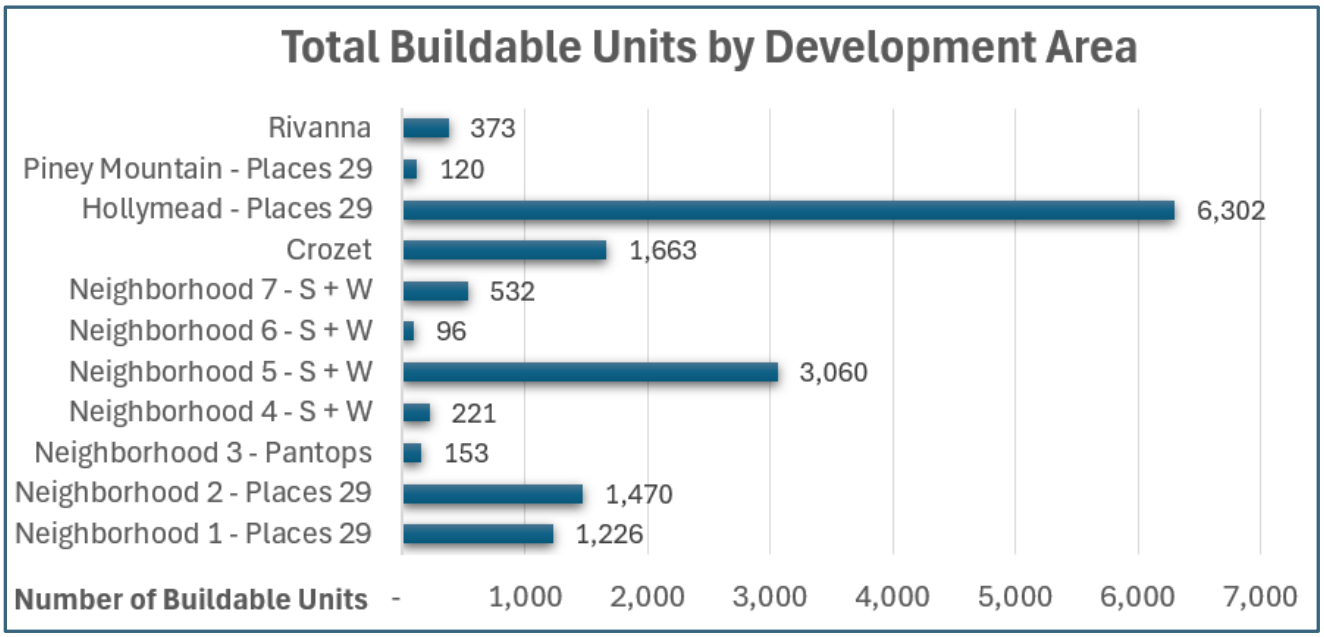
The 2025 Land Use Buildout Analysis uses the same research approach and methodology as the 2022 report. Using the same approach provides the best opportunity to make historical comparisons and observe trends since the AC44 Comprehensive Plan update effort first began. Both the overall data and the trends of the data are valuable insights as the County nears the end of the AC44 update, and as updates to County policies and plans are considered.

2025 Residential Findings

The Development Pipeline includes approved development plans and development plans under review as of April 2025 and is shown below:

2025 Land Use Buildout Analysis - Residential				
Development Area	Max. Remaining Approved Units (Unbuilt)	Max. Units Under Review	Total Buildable Units	Share of Total
Neighborhood 1 - Places 29	1,019	207	1,226	8.1%
Neighborhood 2 - Places 29	534	936	1,470	9.7%
Neighborhood 3 - Pantops	12	141	153	1.0%
Neighborhood 4 - S+W	208	13	221	1.5%
Neighborhood 5 - S+W	1,583	1,477	3,060	20.1%
Neighborhood 6 - S+W	-	96	96	0.6%
Neighborhood 7 - S+W	532	-	532	3.5%
Crozet	1,516	147	1,663	10.9%
Hollymead - Places 29	5,333	969	6,302	41.4%
Piney Mountain - Places 29	120	-	120	0.8%
Rivanna	373	-	373	2.5%
Total	**11,230**	**3,986**	**15,216**	**100.0%**

The chart below graphically displays the table above:

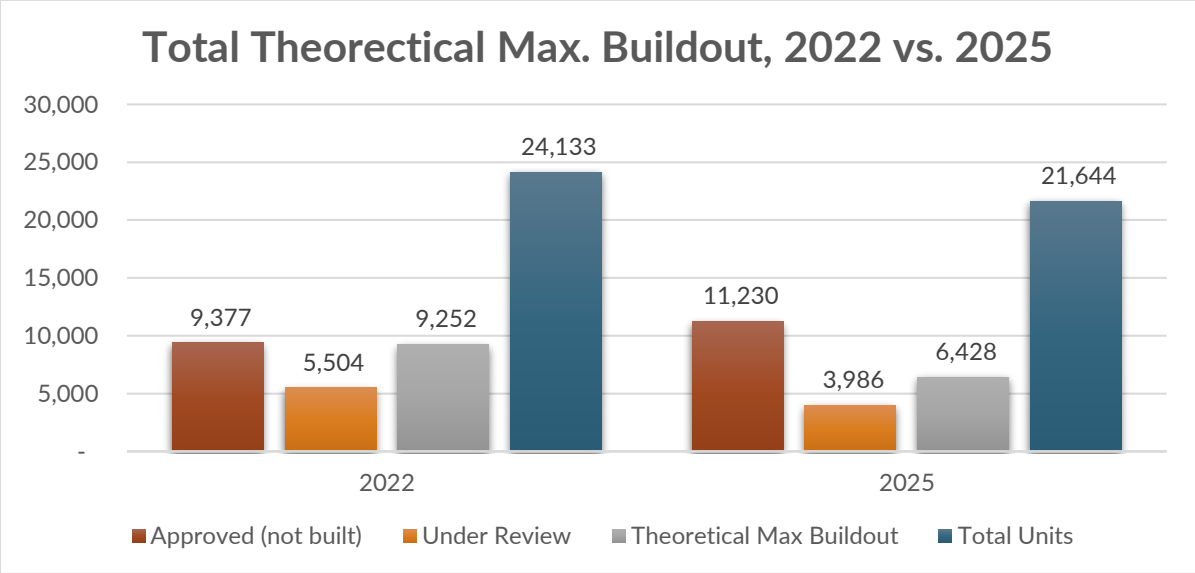


Overall, between 2022 and 2025, the total number of buildable units increased by 335 units.

The total buildable units combine with the updated theoretical maximum residential buildout to yield a total of 21,644 dwelling units. The 2025 amount is an overall decrease in the theoretical maximum residential buildout of 2,489 dwelling units from the theoretical maximum residential buildout in 2022.

		2022	2025	Trend
"Development Pipeline"	Max. Remaining Approved Units (Unbuilt)	9,377	11,230	Up
	Max. Units Under Review	5,504	3,986	Down
Theoretical Max. Buildout Estimate		9,252	6,428	Down
Total		24,133	21,644	Down

The chart below graphically displays the table above:



The decrease in total number of dwelling units can be attributed in part to the number of units built over the study period. From 2022 through the first quarter of 2025, a total of 2,924 residential units in the Development Areas received a certificate of occupancy.

	2022	2023	2024	2025 (through 4/1/25)	Total
# of Residential Dwelling Units issued a Certificate of Occupancy in the Development Areas	699	904	1232	89	2,924

2025 Residential Results

The updated theoretical maximum residential buildout has decreased since 2022, but is more than 21,500 dwelling units.

Based on projected population increase over the next 20 years, there is expected demand for 11,500 to 13,500 new housing units. This level of demand requires approximately 675 net new dwelling units per year at the high end of the forecast. Between 2015-2024, on average, the number of dwelling units constructed in the County has exceeded this level of demand. Within the Development Areas, an average of 735 new dwelling units have been constructed per year.

Nevertheless, as documented in the 2022 analysis, it is very important to acknowledge the numerous constraints and challenges to developing at a theoretical maximum level. The 2022 Buildout Analysis cited the total number of dwelling units approved for residential rezoning applications from 2016-2021 were 58% of the theoretical maximum buildout recommended by the Comprehensive Plan. The 2025 analysis calculated a similar figure for residential rezoning applications approved from 2022 through the first quarter of 2025. Over this

time frame, the total number of dwelling units were 56% of the theoretical maximum buildout recommended by the Comprehensive Plan.

It is critical that future updates to the methodology of this analysis integrate development constraints even further to provide the most relevant and feasible information possible.

2025 Non-Residential Findings

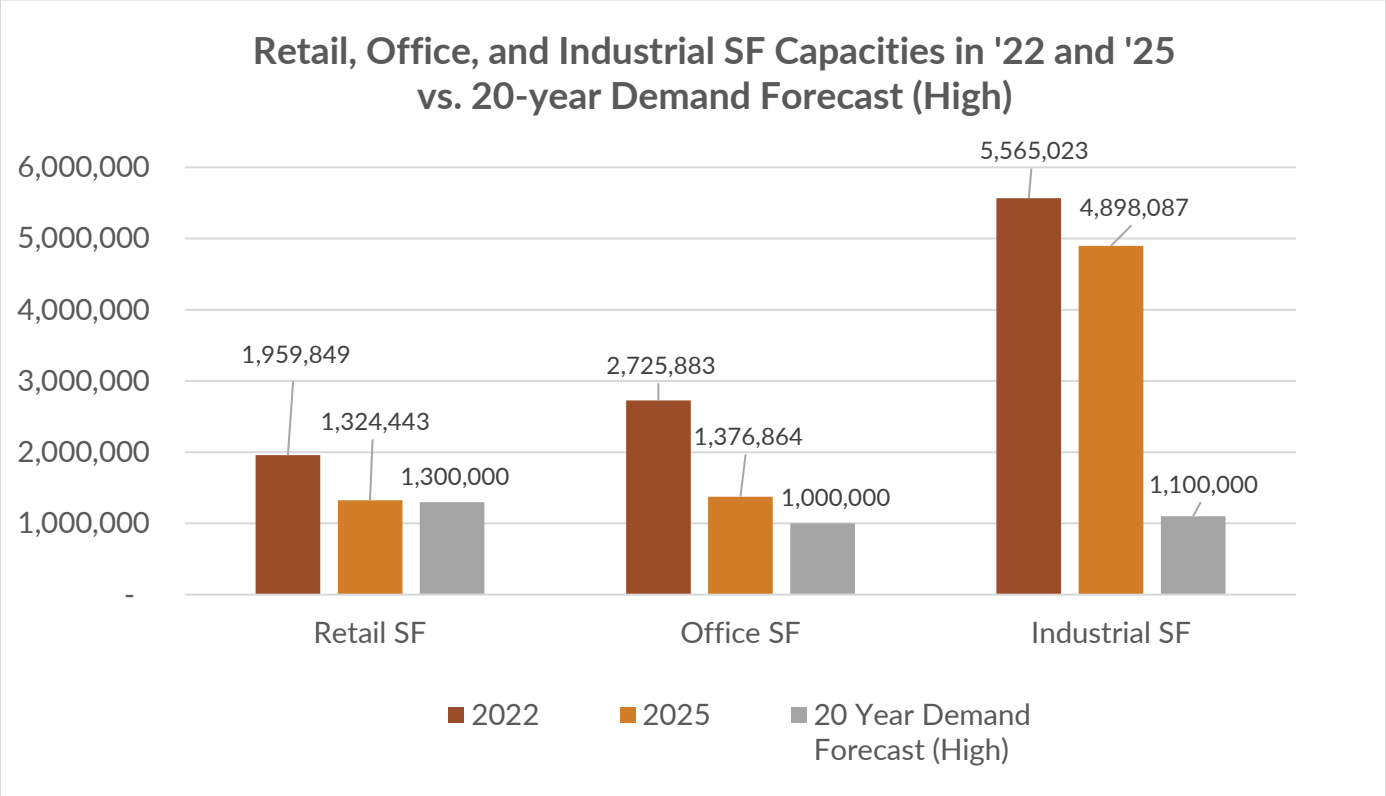
There has also been notable non-residential development activity since the 2022 analysis was completed. The current analysis for non-residential uses is shown below:

Summary of Maximum Theoretical Non-Residential Buildout by Development Area				
Development Area	**Retail SF**	**Office SF**	**Industrial SF**	**Hotel Rooms**
Neighborhood 1 - Places 29	141,602	207,281	21,949	267
Neighborhood 2 - Places 29	119,707	206,177	-	254
Neighborhood 3 - Pantops	109,759	72,707	98,475	101
Neighborhood 4 - S+W	102,458	86,334	238,882	166
Neighborhood 5 - S+W	16,325	86,741	1,040,886	-
Neighborhood 6 - S+W	13,128	-	-	-
Neighborhood 7 - S+W	17,277	12,958		-
Crozet	236,764	223,827	494,871	436
Hollymead - Places 29	491,887	435,040	2,893,107	275
Piney Mountain - Places 29	75,536	45,799	109,917	92
Rivanna	-	-	-	-
Total	**1,324,443**	**1,376,864**	**4,898,087**	**1,591**

This table compares the 2022 and 2025 theoretical capacities for non-residentials uses:

	Theoretical Maximum Buildout		**20 Year Demand Forecast (High)**	**Trend**
	2022	**2025**		
Retail SF	1,959,849	1,324,443	1,300,000	Down
Office SF	2,725,883	1,376,864	1,000,000	Down
Industrial SF	5,565,023	4,898,087	1,100,000	Down
Hotel Rooms	2,554	1,591	900	Down

This graphic compares the theoretical maximum non-residential buildout to the high-end of the projected 20-year demand forecast for retail, office, and industrial uses. Although the theoretical maximum non-residential buildout for each land-use type has declined since 2022, they still exceed the high-end of the projected 20-year demand forecast.



2025 Non-Residential Results

As with residential capacity, the updated theoretical maximum non-residential buildout has decreased since 2022, but remain at levels that are above the high-end of the 20-year demand forecast for each land use type.

And, also like residential capacity, it must be emphasized that there are numerous constraints and challenges to developing at a theoretical maximum level. An updated approach to projecting demand for non-residential space, including consideration of the County's goals for economic development, will provide the best possible analysis for future decision-making.

Conclusion

The 2025 Land Use Buildout Analysis utilizes the same research approach and methodology as the 2022 report. Doing so provides the opportunity to observe trends over time, but it also requires the re-use of redevelopment criteria and buildout assumptions used in the 2022 analysis.

Looking ahead, future analyses will benefit from an updated research approach. These changes will include using the latest available data sets, as well as demand projections that are forward-looking and rely on more market-based factors than what has been used previously. Future analyses can also model multiple different buildout scenarios by changing the theoretical buildout assumptions. Finally, these analyses can be run on a more frequent basis and allow better monitoring of the County's utilization of its Development Areas as called for in the AC44 Comprehensive Plan update.