



City Council Meeting Agenda

February 17, 2026

City Hall Council Chamber
605 E. Main St.
Charlottesville, VA 22902

Juandiego R. Wade, Mayor
Natalie Oschrein, Vice Mayor
Jen Fleisher
Michael K. Payne
J. Lloyd Snook, III
Kyna Thomas, Clerk

4:00 PM Opening Session

I. Call to Order/Roll Call

II. Agenda Approval

III. Reports

1. Discussion: Affordable Dwelling Unit Tax-Abatement Program Proposal Presentation
2. Report: Westhaven Redevelopment Update

5:30 PM Closed Meeting (Boards & Commissions Appointments)

6:30 PM Business Session

IV. Moment of Silence

V. Announcements

VI. Recognitions/Proclamations

- Proclamation: Recognizing CHS Boys Tennis Coach John Neal as National Federation 2025 Coach of the Year
- Proclamation: Invasive Species Awareness Week, February 23 - 27, 2026

VII. Community Matters Public comment for up to 16 speakers (limit 3 minutes per speaker). Preregistration available for first 8 spaces at <https://www.charlottesville.gov/692/Request-to-Speak>; speakers announced by Noon on meeting day (9:00 a.m. sign-up deadline). Additional public comment at end of meeting. Comments on Public Hearing items are heard during the public hearing only.

VIII. Consent Agenda* The consent agenda consists of routine, non-controversial items whereby all items are passed with a single motion and vote. Individuals speaking during Community Matters may address items on the Consent Agenda.

3. Minutes: January 29 budget work session; February 9 joint Council-School Board budget work session
4. Resolution: Resolution to Appropriate National League of Cities Southern Cities Economic Initiative Program Funds - \$60,000 (2nd reading)
5. Ordinance: Ordinance Amending Section 11-131 of the Charlottesville City Code Regarding Compromise and Payment of Claims Against the City (2nd reading)
6. Resolution: Resolution Appropriating Existing Funds to the E-Bike Voucher Program (2nd reading)
7. Resolution: Resolution Appropriating \$198,910 in Additional Virginia Department of Transportation ("VDOT") Funds for Construction Engineering and Inspection ("CEI") on the Project Bundle of 10th and Grady UPC 113916, Monticello 2nd UPC 113917, and Preston Harris UPC 113918 (1 of 2 readings)

IX. City Manager Report

- Report: City Manager Report
- Report: Quarterly Financial Report

X. Action Items

8. Public Hearing/Res.: Public Hearing and Resolution of Appropriation to Amend the FY26 Budget- \$10,001,875.49 (1 of 2 readings)
9. Public Hearing/Ord.: Public Hearing and Ordinance for City Code Chapter 34 (Development Code) Zoning Text Amendments Tiers 1 and 2
10. Public Hearing/Ord.: Public Hearing and Ordinance for Update to Neighborhood Development Services Fee Schedule for Land Use Development Review
11. Public Hearing/Ord.: Public Hearing and Ordinance for Quitclaim Natural Gas Easement (Belvedere Subdivision 5B)

XI. General Business

XII. Community Matters (2)

XIII. Adjournment

MEETING GUIDELINES

- This is an in-person meeting with an option for the public to participate electronically by registering in advance for the Zoom webinar at www.charlottesville.gov/zoom. The meeting may also be viewed on the City's streaming platforms and local government Channel 10. Individuals with disabilities who require assistance or special arrangements to participate in the public meeting may call (434) 987-1267 or submit a request via email to ada@charlottesville.gov. The City of Charlottesville requests that you provide 48 hours' notice so that proper arrangements may be made.
- The presiding officer shall ensure that individuals address their comments to City Council at appropriate times, in accordance with the meeting agenda and Council's Rules of Procedure.
- No person who is not a member of the city council shall orally address it until leave to do so has been granted by the city council or until invited to do so by the mayor. (City Code sec.2-71)
- Remarks and actions that disrupt the progress of the Council meeting, and remarks from persons other than councilors, the City Manager, the City Attorney, or a presenter for an Agenda Item are not permitted.
- The presiding officer shall call an individual to order, including a councilor, when that individual goes afoul of these rules. The following are examples of remarks and behavior that are not permitted:
 - i. Interrupting a speaker who is addressing Council at the speaker's microphone, or interrupting a speaker who has otherwise been invited to address Council during Community Matters or a Public Hearing
 - ii. Interrupting a councilor who is speaking
 - iii. Shouting, and talking (either individually or in concert with others) in a manner that prevents a speaker or a Councilor from being heard or that otherwise hinders the progress of the meeting
 - iv. Blocking paths for emergency exit from the meeting room; engaging in any conduct that prevents a member of the audience from seeing or hearing councilors during a meeting; standing on chairs or tables within the Council meeting room
 - v. Threats or incitement of violence toward councilors, City staff or members of the public
 - vi. Engaging in conduct that is a criminal offense under the City Code or the Virginia Code
 - vii. Campaigning for elected office
 - viii. Promotion of private business ventures
 - ix. Using profanity or vulgarity
 - x. Personal attacks against Councilors, City staff or members of the public
 - xi. Behavior which tends to intimidate others
- During a City Council meeting the presiding officer shall have control of the Council Chambers and the connecting halls and corridors within City Hall, and any other venue where a Council meeting is being held. In case of any conduct described above, the presiding officer may take measures deemed appropriate, including but not limited to suspending the meeting until order is restored, ordering areas to be cleared by the Sergeant at Arms, or requiring any individual to exit the meeting room and adjacent premises (connecting halls and corridors.)

Policy Briefing Summary

City Council



Regarding:	Affordable Dwelling Unit Tax-Abatement Program Proposal Presentation
Staff Contact(s):	Alan Peura, Kellie Brown, Director of NDS
Presenter:	Jeremy Goldstein, Director of Technical Planning & Analytics 3TP Ventures – Line and Grade
Date of Proposed Action:	February 17, 2026

Issue

Presentation of a housing construction cost analysis for the City of Charlottesville, Virginia ("City"), market to identify and quantify the financial impediments to new housing construction; to analyze the financial impact of the new City Development Code Assessory Dwelling Unit ("ADU") requirement as an additional financial impediment; and to consider the potential impact of an Affordable Housing Tax Abatement Program ("Program") as a way to improve the financial feasibility of new housing construction projects.

Background / Rule

On April 21, 2025, City Staff presented the concept of the Program at a City Council Work Session as a potential option to incentivize housing construction within the context of the ADU requirement in the City's new Zoning and Development Code.

At that Work Session, City Council charged City Staff with conducting a study ("Study") of the necessary housing market research and analysis to determine if the Program could have a material impact to incentivize housing construction within the context of all the costs associated with planning, financing, and building housing in the City. This Study was also intended to define an optimal Program structure to maximize housing construction and minimize administrative complexity as a potential option for City Council consideration.

Analysis

The goal of this Project and this presentation is to enable an informed discussion and recommendation to City Council regarding the likely impact of the Program so that City Council can consider whether to move this idea forward.

In June 2025, City Staff contracted with 3TP Ventures to lead and conduct this Study, market analysis, and model building to test the impact of the Program on the feasibility of housing construction projects.

This Agenda item is a Presentation and discussion of the final report of this Study and the demonstration of a feasibility model that provides illustrations of the impact of the potential Program on the financial feasibility of housing construction in the City.

Financial Impact

No impact at this time.

Recommendation

For City Council's review and consideration.

Recommended Motion (if Applicable)

For City Council's review and consideration.

Attachments

1. FINALDRAFT_Charlottesville Affordable Housing Tax Abatement Study_020325
2. CVilleTaxAbatement_CityCouncil_02.17.2026



Charlottesville

Affordable Housing Tax Abatement Study



February 2026

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This report was developed by 3TP Ventures,
in collaboration with City staff

3TP VENTURES
A LINE AND GRADE COMPANY

Executive Summary

The purpose of this study was to assess how tax abatement may affect the market feasibility of new housing projects that include the required 10 percent affordable units in the new inclusionary zoning ordinance. This entailed extensive data collection and analysis described in the following sections, engagement with housing builders and advocates of affordable housing, and finally the creation and refinement of a model known as the Charlottesville Development Feasibility Assessment Tool. The process yielded several key findings, summarized here:

- **Market Conditions are Challenging Regardless of City Policy:** The current market conditions make many housing products difficult to build in 2025. Construction costs have increased and interest rates are high. These conditions make it difficult for developers to build larger housing projects even in the absence of the inclusionary zoning ordinance. Adding the costs of the affordable units increases this financial difficulty that even the presence of a tax abatement program may struggle to overcome.
- **Inclusionary Zoning is a Material Financial Burden:** The inclusionary zoning policy aims to alleviate the shortage of affordable housing units in Charlottesville. However, it does have quantifiable, negative impacts on financial returns of housing development. While projects may still earn a return on investment, the lenders that typically help finance projects are weighing other investment options and the inclusionary zoning ordinance substantively reduces the returns that can be realized from building 10-plus unit housing projects in the Charlottesville market.
- **A Traditional Tax Abatement¹ Provides Financial Relief, But Not Equivalent to the Cost of Inclusionary Zoning:** Through the process of modeling multiple levels of tax abatement for several project types it became clear that in the current conditions a traditional tax abatement model is unlikely to close the gap enough to entice developers to build most housing products without assuming long-term risk to city tax revenue. In general, the inclusionary zoning requirement impacts yields on cost by around one-half of one percent, while traditional improvement-value based abatements often contribute less than one-tenth of one percent to project yields. In order to significantly improve the feasibility of housing construction, the traditional abatement model would require long-term commitment of tax reductions based upon a number of hard to predict variables such as land values, improvement values, and

¹ Traditional tax abatement is defined as the calculation model that preserves the original pre-construction base tax revenue as none of that original tax is eligible for abatement/credit relief. Rather, the abatement percentage, at whatever level is only applied to the new increment tax revenue that is the result of the new construction finished product. This calculation, therefore, can fluctuate dramatically over time as it is based upon changing land values, improvement values, and tax rates, all of which have multiple change drivers.

tax rates. The greatest risk of a tax abatement program is the risk of providing an abatement to a project that would have been built anyway. The traditional model that is based on these variables exacerbates that risk and thus increases the risk to city tax revenue.

- **A Tax Abatement Based on a Rent Gap Approach Merits Consideration:** An abatement model that is based on the gap between market rent and affordable rent, similar to Baltimore's High-Performance Inclusionary Housing Tax Credit, is worth considering in Charlottesville and by limiting the number of calculation variables, reduces the long-term budget risks. Such an approach that is applied only to the affordable units when using the accompanying feasibility model, essentially covers just the cost of the financial loss attributed to inclusionary zoning and lowers the cost risk of over subsidizing projects that may well have been built anyway. By addressing the rent gap, this approach covers what is considered by some to be an unfunded mandate of requiring a share of units to be offered at a reduced rent. This method also benefits from the ease of administration in calculating the abatement and monitoring it over time, as well as the ease of understanding by the public. And finally, with this model the City's cost will decrease going forward if market rate rents drop as the consequence of building more housing units across the city and the gap between market rate and affordable rent is reduced.
- **Other Incentives and Policies Merit Consideration:** As the initial results on tax abatement came in, the study expanded to incorporate other potential incentives into the Charlottesville Development Feasibility Assessment Tool. Approaches the City can use - such as pre-development timeline reduction, gap financing, and loan forgiveness - all have quantifiable benefits to development feasibility, and can be used in combination or tailored to maximize utility in specific situations.
- **Conditions Will Change and the Tool Has Lasting Utility:** These findings represent a snapshot in time. Costs and revenues are constantly changing in response to market forces and government policy. The efficacy of tax abatement and other policy interventions will change too as time rolls on. The Charlottesville Development Feasibility Assessment Tool is transparent and usable by City staff for this very reason. Steady upkeep of the tool will allow the City the best opportunity to be informed about the efficacy and magnitude of any intervention

The analysis presented in this study comes with an important caveat. It assumes that the primary obstacle to the construction of more mixed-income projects by the private sector is a financial one. It is not clear that simply removing the financial burden will lead to construction of mixed-income projects where 10 percent of the units are affordable to households at 60 percent of the area median income.

Introduction

This report documents the methods and findings of a study to assess the efficacy of tax abatement to increase the production of affordable housing units in the City. The study also considered other possible policy tools and strategies to understand their effectiveness.

The primary outcome of the study is a model, called the Charlottesville Development Feasibility Assessment Tool, which the City can use to assess the effectiveness of various policies and strategies for increasing the production of affordable housing units, with an emphasis on tax abatement. The tool is non-proprietary, which means all the assumptions, inputs, and math are visible to all and can be adjusted by staff, the development community, and the public at large to test different levels of tax abatement and other policies. The intent is that the City can maintain the tool by updating the inputs and use it on an ongoing basis to assess various policies aimed at increasing affordable housing.

The tool is informed by a market analysis that identified and quantified the cost drivers and income associated with housing development. For the purposes of this study the focus was solely on for-rent housing products. However, the methods can be adjusted to account for the for-sale market as well. This study also focused on housing projects with 10 or more units, which are subject to the new inclusionary zoning ordinance, which requires that 10 percent of units be affordable for households at or below 60 percent of the area median income. Additionally, the study considered submarkets to incorporate variations in cost and rent differences across the different geographies of the City. The report documents these inputs and provides instructions for how the City can update the data over time.

The study finds that the inclusionary zoning ordinance has a demonstrable financial impact on development feasibility, ***but that even without inclusionary zoning development feasibility within Charlottesville is limited due to a mismatch between development costs and anticipated revenues.*** Moreover, the study finds that a tax abatement has quantifiable financial benefits, and affords City decision-makers with a flexible development incentive. However, an abatement alone is unlikely to immediately produce significant shifts in development activity across all housing types due to the underlying market conditions mentioned above. As the underlying conditions driving up costs change, tax abatement may become a stronger incentive for affordable housing development, especially abatements designed to directly address the rent gap between affordable and market rate units.

Background

Origins of the Affordable Housing Tax Abatement Study. Charlottesville adopted a new development code on December 18, 2023. The code became effective on February 19, 2024. The new code includes a requirement that any development project of 10 or more residential dwelling units provides 10 percent of the units as affordable for households at or below 60 percent of the area median income. These affordable dwelling units must be income restricted for a minimum of 99 years. The requirement does not apply to projects in the Residential A, Residential B, Residential C, and Residential Core Neighborhood zoning districts.

The City adopted this inclusionary housing element of its zoning ordinance following a robust planning and community engagement process that began with the creation of an Affordable Housing Plan adopted by the City Council in 2021, and a Comprehensive Plan update also adopted in 2021.

The City's Affordable Housing Needs Assessment in 2018 informed the City's policies included in the Affordable Housing Plan, Comprehensive Plan, and inclusionary zoning ordinance. The assessment found a need for 3,318 affordable housing units in 2017 and 4,020 by 2040. The 2021 Affordable Housing Plan found that more than 2,700 renter households in Charlottesville pay more than 50 percent of their income on rent and utilities. These figures highlight the need for more housing construction and more affordable units.

Charlottesville City Council has recognized the need for public investment in affordable housing and committed \$10 million per year for a decade to help the City achieve its affordable housing goals. The tax abatement under consideration is being considered in this context. The tax abatement policy can also help advance the Comprehensive Plan's stated goal to "focus and align subsidy programs with community-defined priorities and make changes to increase the impact of public spending."

Affordable Housing Tax Abatement Overview. Tax abatement is a temporary reduction or exemption from taxes levied by a unit of government, typically to encourage a particular activity. The purpose of the tax abatement under consideration in this study is to encourage mixed income housing developments of 10 or more units, which are subject to the City's Affordable Dwelling Unit Ordinance. Local governments across the United States and Virginia, including the City of Richmond and Albemarle County, have used tax abatement for similar purposes. This study provides insights on the efficacy of varying levels and terms of abatement based on conditions in the Charlottesville market.

An important caveat about tax abatement in Virginia is that state code does not allow abatement of taxes to private entities for affordable housing development. However, Virginia Code §15.2-

4905 allows for financial incentives, including grants tied to affordable housing development. Therefore, if Charlottesville were to adopt a tax abatement for affordable housing, the financial incentive would be leveraged from the increase in value and the associated increase in real estate tax revenue attributed to development, and reimbursed to the owner as a performance grant.

The property owner would therefore pay the full real estate taxes on the entire post-development assessed value, and then receive a reimbursement for some portion of the taxes on the increase in assessed value, post-construction.

Tax Abatement Analysis

Method Overview. The methods for the study are oriented towards providing reliable inputs to the Charlottesville Development Feasibility Assessment Tool. The tool uses inputs related to the costs and income associated with housing development to enable the evaluation of tax abatement, and other policies, on the feasibility of general housing projects.

In the tax abatement under consideration by the City of Charlottesville, the abatement would apply to the increase in property value resulting from a development of 10 or more units that includes affordable dwelling units. The baseline, pre-development, value would continue to be taxed as it was prior to the development. Meanwhile, only a portion of the increased value would be subject to real

estate taxes. The portion of the increased value subject to real estate taxes, and the time period for the abatement, is a policy decision to be made by the City Council. This study, and resulting Charlottesville Development Feasibility Assessment Tool for assessing the efficacy of tax abatement, is intended to support informed decision making.

The tool uses a generalized pro-forma to summarize, for a “typical” project, the fiscal impacts of developments costs and revenues along traditional development timelines. However, it also runs parallel pro-formas for projects with and without City policy interventions. This allows the user to quantify the fiscal impacts of their selected intervention. As property taxes are

CHARLOTTESVILLE DEVELOPMENT FEASIBILITY ASSESSMENT | Feasibility Evaluator

PROJECT INPUTS

Development Type: Mid Rise
Submarket: Tier 1
Buildings in Project: 3
Avg Units per Building: 45
Total Units: 135
Parking Type: Above Ground Deck
Spaces per Unit: 0.75

Affordable Units
AMI Band 1: 60%
% of Units: 10%
AMI Band 2: 80%
% of Units: 0%
AMI Band 3: 100%
% of Units: 0%
Total Affordable Units: 14

Cost Adjustments
Construction: Standard
Land: Standard
Rent: Standard

RESET TO DEFAULT

POLICY TESTING

Tax Abatement: Yes
Rent Gap Model: Yes/No
Abatement %: 50%
Units Abated: Affordable Units
Years: 5
Market Rent Avg: \$2,838
Affordable Rent Avg: \$1,557

Tax Abatement: No
Base/Increment Model: Yes/No
Abatement %: 100%
Units Abated: Affordable Units
Years: 5

OVERALL FINDINGS

WITHOUT INCENTIVES	WITH INCENTIVES	DIFFERENCE
Yield on Cost 5.0% Unlikely Feasibility	Yield on Cost 5.1% Unlikely Feasibility	Yield 0.18%
IRR 3.9% Unlikely Feasibility	IRR 4.1% Unlikely Feasibility	IRR 0.17%

OTHER SUMMARIES OF INCENTIVE COSTS & BENEFITS

Inclusionary Zoning Rent Change	Abatement Provides	Difference
(\$17,285) per month	\$8,642 per month	(\$8,642)
Annual New Tax Revenue \$484,324	Annual Revenue Waived \$103,707	Percent Revenue Waived 18%
Total New Tax Revenue \$2,421,618	Total Revenue Waived \$518,537	

traditionally incorporated in a pro-forma as an input to net operating income, a pro-forma based evaluation for the impacts of a tax abatement is a natural fit.

The City first analyzed underlying development feasibility absent the inclusionary zoning requirement. In other words, the study evaluated how feasible large-scale development projects would be given current development costs and revenues with no affordable housing units. These findings were then compared to the same set of large-scale development projects, but with the 10 percent affordable units requirement. Finally, the development projects were analyzed using both the inclusionary zoning requirement and a range of tax abatement options.

The differences in findings between these three general conditions (no inclusionary zoning, with inclusionary zoning, with inclusionary zoning and tax abatements) reflects the financial implications of the inclusionary zoning mandate and associated abatements.

Housing Types. This analysis looked at six common housing types. These housing types are common in the City, except for high rise. The table below summarizes each type's general conditions. These conditions can be updated in the tool as needed. The following graphics also give the reader a sense of what each "housing type" means.

Housing Type	# Floors	Construction Materials	Assumed Average Unit Size (GSF)
High Rise	9+	Steel & concrete	900
Mid Rise	5-8	Wood & concrete	1,000
Low Rise	3-4	Wood	1,100
Garden Apartment	1-2	Wood	1,300
Townhouse	2	Brick & wood	1,800
Single Family	2	Brick & wood	2,000

Note that while the financial feasibility analysis tool includes single family housing, this housing type was not included in the analysis undertaken for this report.

GENERAL HOUSING TYPES ASSESSED IN THE STUDY

GARDEN APARTMENT



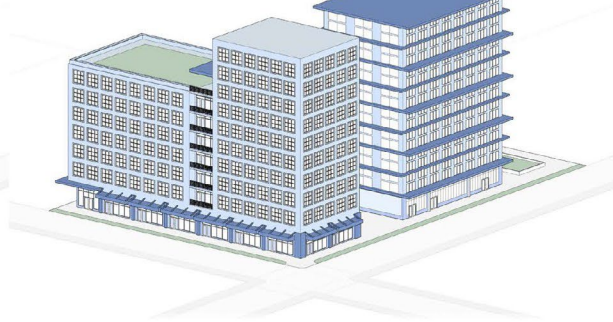
LOW RISE



MID RISE



HIGH RISE



SINGLE FAMILY



TOWNHOUSE



Figure 1 | Graphical Examples of Housing Types



Submarkets. The tool allows the user to select a “submarket” as part of the analysis. This is important because the feasibility of a housing project is heavily influenced by its location, with both costs (in the form of land prices) and revenues (in the form of rents) being subject to location-specific variables that can vary widely even within a single locality.

As such, this model provides five different price-based submarkets, representing tiers of land costs and rents. Importantly, these five submarkets are not tied directly to Charlottesville neighborhoods. This is because neighborhood-based prices in any specific neighborhood can change relative to others over time.

However, the tool assumes that more expensive tiers would typically be situated on smaller lots than less expensive tiers. The tool assumes parcel sizes for tier 1 projects (most expensive areas) are 1 to 2 acres, while parcel sizes for tier 5 (least expensive) projects were 3 to 4 acres. As with all assumptions in the tool, these can be changed to reflect changes in the underlying conditions and typical development situations in the City.

Tool Inputs. All model inputs are grouped into one of five categories: hard costs, soft costs, land costs, revenues, and other assumptions. Each category is described below:

Hard Costs. Hard costs include all costs associated with the physical construction effort, including construction of the building, parking, and site preparation. Initial estimates for building construction costs are a blend of multiple sources. Initial data was acquired from the online cost estimating resource RSMeans Online, which provides total construction and per square foot construction cost estimates for a wide range of building types based on user inputs on materials and dimensions.

The study developed estimates for each building type using dimensions sourced from local examples, such that a “typical” mid-size development in the model reflects an amalgam of existing mid-size projects throughout the City. This data was then vetted and adjusted via feedback from local developers who contributed confidential financial data to this project.

Notably, the estimates from RSMeans and local developers often aligned but not always. The reasons for the cost differences between sources is elusive due to the many assumptions required in any cost estimating. But in such cases, it was assumed that the local developer input was more accurate as they are the local experts, and that data was used in place of RSMeans.

Soft Costs. Soft costs include all costs primarily associated with the development and approval of plans necessary for building permit approval, such as consultant fees and municipal fees.

Municipal fees can vary by project and project type but were set as 4.5 percent of total hard cost estimates, incorporating fees expected to be paid by typical projects from the building inspection fee schedule and the City's Neighborhood Development Services fee schedule.

Consultant fees cover services such as civil engineering, architecture, and legal. They are sensitive both to project complexity and timeline. As such, the model uses assumptions for standard (15 percent of hard costs) and minimum (12 percent of hard costs) consultant fees, and applies the standard fee to a typical development timeline. The tool assumes that changes to the typical predevelopment timeline would change the consultant fee.

Land Costs. Land costs relate exclusively to the cost of purchasing land in the City. Other costs that may be considered land costs, such as site preparation, are included in hard costs.

Land costs are extremely sensitive to market conditions and land entitlements, and can vary widely over time. While there was general consensus on hard costs and soft costs from the local development community, there was less agreement on land costs. Additionally, there have been too few land sales since the adoption of the new zoning code to fully assess the effects of the code on land prices. As such, the model relied more heavily on tax assessor data on assessed land values.

The process for developing typical land costs as an input to the tool started with comparing recent land sales to current assessed land values. The study found that for the limited number of 2024 and 2025 sales, sale prices were routinely 33% to 50% higher than assessed value, while 2023 sales were nearly identical to assessed values.

Next the study assigned each building type to a primary land use code from the City assessor. Each building type was also assigned an estimated units per acre. These assumptions allowed for estimated per door land cost by parcel by primary land use code.

Land cost tiers were initially defined simply by the percentile rank of assessed land values for all parcels with housing in the City. Next the study assigned a percentile rank to each tier as outlined on the following page.

Tier	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
Percentile Rank Assessed Land Value	85th	65th	50th	35th	15th

In other words, a Tier 1 land cost is the equivalent of the 85th percentile per acre assessed land value, Tier 2 is the equivalent of the 65th percentile per acre assessed land value, etc.

As a final step in the initial data-based land cost estimate, the study applied a sales-based adjustment factor of 33 percent increase to reflect the difference between assessed values and recent sales.

The developed land cost estimates were considered reasonable by some local developers, but too high by others. As such, land costs were adjusted down as a middle ground between estimates, but it is possible that land costs could be higher than those calculated based on the method described in this section and incorporated into the model.

Revenues. “Revenues” include market rate and affordable rents. The study estimated market rents by collecting existing asking rents across multiple online real estate platforms. The collected rents were assumed to be generally consistent with the tier 2 submarket, as the sources were generally from new or recent construction, and tended to have higher-end amenities. A typical tier 2 rent was defined as the average of available median and maximum asking rents. In the event there was insufficient data for a particular unit type, an estimate was created based on professional experience. Rents for each of the five tiers were then based on a proportion of that tier 2 rent, ranging from 85 percent (Tier 5) to 110 percent (Tier 1) of the tier 2 rents.

Affordable rents are set as 30 percent of gross income for the respective area median income band (mid-point of the area’s income distribution). The City requires projects with 10 or more units to include 10 percent of the units leased at rents affordable to incomes that are 60 percent of the area median income. However, the tool allows users to assess other levels of income-based affordability.

The U.S. Department of Housing and Urban Development income limits are provided by household size, not number of bedrooms. To convert from household size to bedrooms, the study assumed that the bedrooms by household number was equivalent to one fewer bedrooms than the number of persons in the household (so the affordable rent for a 2 bedroom apartment equaled 30 percent of income for a 3-person household).

Other Assumptions. There are several other assumptions and necessary inputs to a pro-forma model, including predevelopment and construction timelines, property taxes, typical parcel sizes, unit mixes, and structures in a single development. Each was determined based on professional experience and vetted through consultation with staff and the local development community.

It is important to note that the tool is intended for use in assessing the effect of policy interventions of a “typical” project and is not intended for use to assess a specific project on a specific site. Such an analysis would require data on costs that are not accessible to the City at a reasonable level of effort. Furthermore, that level of analysis is not necessary to answer the key question of the City, which is about the effectiveness of tax abatement.

Findings & Implications

Current Market Feasibility. An initial step in the study was to assess the feasibility under current market conditions in the City, which includes the inclusionary zoning ordinance but not a tax abatement policy. The tables below summarize financial feasibility by housing type and submarket tiers. The tables shows that new housing construction feasibility is limited when applying the assumptions outlined earlier in this report. There is evidence that high-rise housing construction has the highest yields and internal rate of return (IRR), and may be feasible in some specific instances. Yet no housing product in any submarket reached the threshold of “likely feasible”, which is defined in this report as a yield on cost at least 200 basis points above the estimated capitalization rate and/or an IRR of 18 percent or more. (Note that these thresholds can change over time and should be updated alongside other regular model updates.) No other housing type had sufficient yields or IRR to suggest anything other than limited to unlikely feasibility, meaning there would need to be some substantial change in either costs or revenues to support investment.

Yield on Cost					
Typology	Tier 1 Highest value areas	Tier 2	Tier 3	Tier 4	Tier 5 Lowest value areas
High Rise	6.1%	5.9%	5.8%	5.5%	5.5%
Mid Rise	5.0%	4.8%	4.5%	4.3%	4.8%
Low Rise	4.4%	4.1%	4.2%	4.1%	4.1%
Garden Apartment	4.2%	3.9%	4.1%	4.0%	4.0%
Townhouse	4.4%	4.1%	4.2%	4.0%	3.9%

Likely Feasible	6.75%+
Possibly Feasible	5.75-6.75%
Not Likely Feasible	<5.75%

IRR					
Typology	Tier 1 Highest value areas	Tier 2	Tier 3	Tier 4	Tier 5 Lowest value areas
High Rise	8%	8%	7%	6%	6%
Mid Rise	4%	3%	1%	0%	3%
Low Rise	1%	0%	-1%	0%	0%
Garden Apartment	-2%	0%	-2%	0%	0%
Townhouse	0%	-2%	-1%	-2%	0%

Likely Feasible	18%+
Possibly Feasible	12-18%
Not Likely Feasible	<12%

Market Feasibility without Inclusionary Zoning. A next step in the study was to assess the market feasibility of various housing products without the inclusionary zoning ordinance. Higher density developments, particularly with higher rents, would be most likely to reach “possibly feasible” investment thresholds, while most other large-scale projects would struggle to do so.

Yield on Cost					
Typology	Tier 1 Highest value areas	Tier 2	Tier 3	Tier 4	Tier 5 Lowest value areas
High Rise	6.6%	6.4%	6.2%	5.9%	5.9%
Mid Rise	5.3%	5.1%	4.8%	4.5%	5.0%
Low Rise	4.7%	4.3%	4.4%	4.3%	4.3%
Garden Apartment	4.4%	4.1%	4.2%	4.1%	4.2%
Townhouse	4.8%	4.4%	4.5%	4.3%	4.1%

Likely Feasible	6.75%+
Possibly Feasible	5.75-6.75%
Not Likely Feasible	<5.75%

IRR					
Typology	Tier 1 Highest value areas	Tier 2	Tier 3	Tier 4	Tier 5 Lowest value areas
High Rise	10%	9%	9%	8%	8%
Mid Rise	6%	5%	3%	2%	5%
Low Rise	2%	0%	1%	0%	0%
Garden Apartment	0%	-3%	-1%	-2%	-1%
Townhouse	2%	0%	1%	0%	-2%

Likely Feasible	18%+
Possibly Feasible	12-18%
Not Likely Feasible	<12%

This suggests two important findings. First, development feasibility is difficult to achieve under current market conditions even absent inclusionary zoning requirements. Second, the inclusionary zoning requirement has a substantive effect on feasibility. The following table compares returns with and without inclusionary zoning. The difference in yields are as large as 0.5%, and the difference in IRRs reach close to 3% in some circumstances.

INCLUSIONARY ZONING FEASIBILITY IMPACTS

Yield on Cost					
Typology	Tier 1 Highest value areas	Tier 2	Tier 3	Tier 4	Tier 5 Lowest value areas
High Rise	-0.5%	-0.5%	-0.4%	-0.4%	-0.4%
Mid Rise	-0.3%	-0.3%	-0.3%	-0.2%	-0.2%
Low Rise	-0.3%	-0.2%	-0.2%	-0.2%	-0.2%
Garden Apartment	-0.2%	-0.2%	-0.1%	-0.1%	-0.2%
Townhouse	-0.4%	-0.3%	-0.3%	-0.3%	-0.2%

IRR					
Typology	Tier 1 Highest value areas	Tier 2	Tier 3	Tier 4	Tier 5 Lowest value areas
High Rise	-2%	-1%	-2%	-2%	-2%
Mid Rise	-2%	-2%	-2%	2%	-2%
Low Rise	-1%	0%	-2%	0%	0%
Garden Apartment	-2%	-3%	-1%	-2%	-1%
Townhouse	2%	-2%	-2%	-2%	-2%

Tax Abatement Strategies. With a firm understanding of the housing market, both with and without the inclusionary zoning ordinance, the focus shifted to modeling the effects of a tax abatement policy. Tax abatement can take many forms, therefore, the model Charlottesville Development Feasibility Assessment Tool is built to allow users to explore many abatement strategies.

Traditional tax abatements provide property tax relief for qualifying units. In general as typical best practice, only affordable units qualify for the abatement, and that was assumed for this analysis. (Note however, that for policy illustrations the Tool allows users to select abatements to apply to either affordable units only or all units, through in the tax gap approach the policy option to apply the abatement to “all” units violates the elegance of that model in addressing only the direct financial impact of the ADU requirement.) Therefore, if the typical approach were applied in Charlottesville it would mean that for projects meeting the minimum inclusionary zoning requirement, only those 10 percent of units set aside as affordable would be eligible for tax relief.

It bears reminding that the underlying theory of tax abatement programs is that the abatement applies only to the additional improvement value from the project and so it does not impact any

pre-development property taxes. The feasibility model assumes pre-development property taxes would be equivalent to the property’s land sale price.

There are many ways a traditional abatement can be structured, with modifications to the abatement proportion, the length of the abatement, or eligibility requirements as examples. In discussions with local stakeholders and staff, several different abatement options were mentioned as worthy of evaluation, including policies from Minneapolis, MN; Columbus, OH; and Baltimore, MD. This is by no means an exhaustive list, nor was a thorough review of existing abatement policies a purpose of this study (though the model can be used to evaluate a wide range of policies at the City’s discretion). However, a brief summary of these three programs is provided here for context.

Minneapolis, MN. Per the City of Minneapolis website, the 4d Affordable Housing Incentive Program provides a 10-year reduction in property taxes on all qualified units, to 0.25% (compared to around 1.2%), for property owners that agree to provide 20 percent of units affordable to households making 50 percent or 60 percent of AMI for 10 years. Eligible properties are offered additional incentives, including green infrastructure grants and rebates.

Columbus, OH. Program eligibility includes a geographic component, whereby the City includes three area designations based on a mix of economic indicators, each with their own set of requirements, generally targeting 20 percent or more of units available for 60 percent to 100 percent of AMI. All taxes on improved value are waived under this program.

Baltimore, MD. In January of 2024, Baltimore instituted the High-Performance Inclusionary Housing Tax Credit. This policy effectively serves as a rebate for all qualified affordable units, based on the revenue gap between the affordable rent and the market rate rent the unit otherwise would have commanded. Each year the program provides a tax credit equal to the rent difference between affordable units and comparable market-rate units.

Tax Abatement Efficacy. The following tables summarize the feasibility impacts of example abatement strategies.

The first example employs a traditional improvement-value-based tax abatement providing 30 years of abatement in a Mid-Rise tier 3 development, with 135 total units of which 14 are affordable to households at 60 percent AMI. The following table shows the fiscal impacts of abatements at four different rates, from 25% to 100% of estimated taxes on the affordable units.

Mid-Rise Tier 3	Yield Change	IRR Change	Monthly "Loss" for Affordable Units	Abatement "Return" for Affordable Units	Annual Revenue "Waived"	New Tax Revenue *
25%	0.02%	0.17%	\$13,636	\$1,162	\$13,944	\$527,943
50%	0.05%	0.35%	\$13,636	\$2,324	\$27,888	\$513,599
75%	0.07%	0.52%	\$13,636	\$3,486	\$41,382	\$500,035
100%	0.09%	0.67%	\$13,636	\$4,516	\$54,189	\$487,699

**This calculation assumes that a project would not be developed without the abatement, and thus no tax revenue would be generated.*

As the tax abatement increases the returns increase, as the tax revenue waived by the City is accrued by the property owner.

But importantly, the gap between the revenue loss incurred by the property owner is never matched by the value of the of the abatement. The inclusionary zoning requirement "cost" the development more \$13,000 in foregone market-rate revenue while returning no more than \$4,500 through the abatement.

Another analysis examined the impact of different submarkets to evaluate the locational element of the Columbus example. The table below shows the findings of the same Mid-Rise project but in a tier 1 submarket.

Mid-Rise Tier 1	Yield Change	IRR Change	Monthly "Loss" for Affordable Units	Abatement "Return" for Affordable Units	Annual Revenue "Waived"	New Tax Revenue *
25%	0.03%	0.15%	\$17,285	\$1,284	\$15,412	\$572,619
50%	0.05%	0.30%	\$17,285	\$1,569	\$30,824	\$557,207
75%	0.08%	0.44%	\$17,285	\$3,853	\$46,236	\$541,795
100%	0.01%	0.56%	\$17,285	\$4,900	\$58,803	\$529,282

**This calculation assumes that a project would not be developed without the abatement, and thus no tax revenue would be generated.*

The Mid-Rise Tier 1 abatement provides no additional benefit after 50% due to the higher estimated pre-development tax rate, and generally has lower overall benefits than the Tier 3 example. Similarly, Mid-Rise projects in Tier 5 perform slightly better than those in Tier 3. This suggest that there is at least a slight differentiation in abatement impacts across submarkets, so including a geographic component within an abatement policy may provide a benefit.

Finally, the table below summarizes the impacts of a gap-based abatement on a Mid-Rise Tier 3 product. As in the examples on the previous page, four abatement percentages were used.

Mid-Rise Tier 3	Yield Change	IRR Change	Monthly "Loss" for Affordable Units	Abatement "Return" for Affordable Units	Annual Revenue "Waived"	New Tax Revenue *
25%	0.07%	0.51%	\$13,636	\$3,409	\$40,909	\$500,797
50%	0.14%	0.99%	\$13,636	\$6,818	\$81,817	\$460,070
75%	0.21%	1.45%	\$13,636	\$10,227	\$122,726	\$419,162
100%	0.29%	1.90%	\$13,636	\$13,636	\$163,634	\$378,253

**This calculation assumes that a project would not be developed without the abatement, and thus no tax revenue would be generated.*

The findings reveal several key distinctions between the traditional improvement-value based and rent-gap based abatement styles:

- At each abatement percentage, the fiscal impacts are higher in the Rent Gap method than traditional abatements. With a gap of nearly \$1,000 between estimated market rates and affordable rates in this example project, even small gap closures have significant implications. Even an abatement or reimbursement of 25 percent of the rent gap in this example has a higher return per affordable unit and thus overall amount of annual tax revenue waived.
- The Rent Gap method provides the opportunity to reimburse any proportion of revenue lost in the inclusionary zoning requirements, including all or more of market rent revenues lost.
- The Rent Gap model tends to have larger financial implications on tax revenues waived, making it a more "costly" intervention for the City.
- Qualification and enforcement would be different, with the Rent Gap model relying on market rents while other methods rely on assessed improvement values.

This last point is particularly notable, as the different methods create different theoretical incentives for City action. In traditional improvement value-based abatement policies, changes to property values have a positive effect on City tax revenue, but also increases the amount of the abatement the City provides. However, in rent gap abatement policies, changes in improvement value do not increase the amount of revenue "lost" through an abatement. Furthermore, as market rate rents decline relative to areawide income, so too does the cost of the abatement. In other words, lower housing costs lead to lower abatement "losses".

Other Potential Incentives. Recognizing that tax abatement alone is likely insufficient to stimulate the development of mixed-income housing products, the study incorporated other incentives for City exploration now and in the future. The list of incentives and basic descriptions are provided below:

- **Gap Financing:** This would be a low-interest loan provided by the City that offsets commercial construction or commercial loan costs. The model allows for a per-unit loan at a user-defined amount and rate. Using the mid-rise tier 3 project example, a \$100,000 per unit affordable loan (totaling \$1,400,000) at 1 percent interest would generate an IRR improvement of 0.45%, an impact similar to a 75 percent traditional improvement value-based tax abatement or 20 percent reimbursement in the Rent Gap method.
- **Land Provision:** This incentive adjusts land costs by allowing users to set the proportion of land costs that are waived by the prior landowner, thus reducing initial land costs. Using the mid-rise tier 3 project example, if land were provided for free (estimated value of approximately \$1,600,000) it would generate an IRR improvement of 1.4 percent.
- **Reduced Review/Approval Timeline:** This incentive provides time and soft cost benefits by reducing the assumed timeline for construction permits. The model formulas assume that soft costs like consultant fees are lower through fewer review cycles or less onerous initial documentation requirements, while it also increases net present value of revenue, as units become available for rent sooner. The model allows for a user-determined timeline reduction in months. Using the mid-rise tier 3 project example, a 6-month reduction in the pre-development timeline generates an IRR improvement of 0.9 percent and a yield under 0.1 percent.
- **Forgivable Loans:** This incentive presumes a grant or loan that is not repaid, effectively reducing the project cost without incurring any additional downstream repayments. The model allows for a per-unit forgivable loan amount. Using the mid-rise tier 3 project example, a \$1,500,000 forgivable loan would generate an IRR improvement of 1.5 percent and a yield improvement of 0.1 percent.

Incentive Approach	Incentive Amount	Units	IRR Impact
Gap Financing	\$1,400,000	1% Loan	0.45%
Land Provision	\$1,600,000	Land	1.40%
Reduced Review/Approval Timeline	6 months	Time (Months)	0.90%
Forgivable Loans	\$1,500,000	Loan	1.50%

Future Potential Analyses. During the course of this task, stakeholders suggested several ideas for future analyses that may be beneficial to the City's decision-making process but were out of scope of this particular task. They include:

- Adding an analysis of workforce gained through construction or otherwise lost by not supporting construction
- Reviewing peer community permitting processes and recent activity
- Adding a voucher holder gap analysis
- Adding Opportunity Zone benefits to model calculations

These are all potential future enhancements to the Charlottesville Development Feasibility Assessment Tool.

Conclusion



Tax abatement is one of many tools the City can use to increase the feasibility of housing development. However, it likely will not in 2025 or 2026 help a project get to the threshold of “likely feasible” on its own. The current market conditions and inclusionary zoning ordinance are headwinds that are hindering the feasibility of projects with 10 or more units. The City may need to look at additional incentives to get projects built. The good news is that conditions can change quickly, and the City now has a tool it can use to assess the efficacy of various policies now and in the future.

City of Charlottesville Tax Abatement Feasibility Analysis

City Council Presentation

February 17, 2026



Outline

- Study Purpose
- Study Methods
- Development Feasibility Assessment Tool
- Development Feasibility Findings
- Key Takeaways

Findings Overview

- Limited development feasibility for “typical” development projects
- This would be true without inclusionary zoning, but IZ further limits feasibility
- Tax abatements help close financial gaps and have clear merit...
- ...But abatements don’t offset IZ impacts or ensure immediate market changes – alternative styles and incentives are encouraged

"TYPICAL" PROJECT FINANCIALS (YIELD ON COST)

Typology	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
High Rise	6.2%	6.0%	5.8%	5.6%	5.6%
Mid Rise	5.0%	4.8%	4.5%	4.3%	4.8%
Low Rise	4.4%	4.1%	4.3%	4.1%	4.2%
Garden Apt	4.2%	3.9%	4.1%	4.0%	4.1%
Townhouse	4.5%	4.1%	4.2%	4.1%	3.9%

YIELDS WITHOUT IZ REQUIREMENT

Typology	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
High Rise	6.6%	6.4%	6.2%	5.9%	5.9%
Mid Rise	5.3%	5.1%	4.8%	4.5%	5.0%
Low Rise	4.7%	4.3%	4.4%	4.3%	4.3%
Garden Apt	4.4%	4.1%	4.2%	4.1%	4.2%
Townhouse	4.8%	4.4%	4.5%	4.3%	4.1%

Likely Feasible
Possibly Feasible
Likely Not Feasible



Study Purpose

Overall Purpose

- Evaluate current housing market feasibility
- Evaluate the current financial impacts of inclusionary zoning
- Evaluate the current financial impacts of a tax abatement
- Provide a mechanism for continued monitoring of these impacts and findings

What This Project Is and Isn't

This project is...

- A means to **inform** policy decisions by calculating the **financial** impact of public policy interventions
- A **collaborative** effort that relies upon reliable and ongoing cost/revenue inputs
- A **transparent, flexible, and adaptable** way to evaluate and inform moving forward

What This Project Is and Isn't

This project isn't...

- A tool to **recommend** policy
- A tool covering all intricacies of **specific projects and financing mechanisms**
- An evaluation of **for-sale** market
- An evaluation of **non-financial** impacts

Tax Abatement Defined

- Temporary reduction or exemption from taxes levied by a unit of government, typically to encourage a particular activity
- Purpose could be to improve financial feasibility of ADU production using new future revenue create by housing construction, while preserving base tax revenue and/or being informed of the impact on future tax revenue
- Authorized under §15.2-4905 (Industrial Development and Revenue Bond Act)
- In Virginia it must be executed as a performance-based grant that reimburses a portion of real estate taxes



Charlottesville Development Feasibility Assessment Tool

Tool Overview

- Charlottesville Development Feasibility Assessment Tool provides:
 - Evaluation of financial implications of **public incentives**
 - Ability to analyze across building types, submarkets, and **varying levels of affordability**
 - Evaluation of **financial impacts**, both traditional (yield on cost, internal rate of return) and other trade-offs (tax revenue, developer “burden”)

Tool Interface

CHARLOTTESVILLE DEVELOPMENT FEASIBILITY ASSESSMENT | Feasibility Evaluator

PROJECT INPUTS

Development Type	Mid Rise	<- SELECT
Submarket	Tier 1	<- SELECT
Buildings in Project	3	
Avg Units per Building	45	
Total Units	135	
Parking Type	Above Ground Deck	
Spaces per Unit	0.75	

Cost Adjustments		
Construction	Standard	<- SELECT
Land	Standard	<- SELECT
Rent	Standard	<- SELECT

Affordable Units		
AMI Band 1	60%	<- SELECT
% of Units	10%	<- ENTER
AMI Band 2	80%	<- SELECT
% of Units	0%	<- ENTER
AMI Band 3	100%	<- SELECT
% of Units	0%	<- ENTER
Total Affordable Units	14	

RESET TO DEFAULT

POLICY TESTING

Tax Abatement	Yes	<- SELECT
Rent Gap Model	Yes/No	
Abatement %	50%	<- ENTER
Units Abated	Affordable Units	<- SELECT
Years	5	<- ENTER
Market Rent Avg	\$2,838	
Affordable Rent Avg	\$1,557	
Monthly Rent Gap	(\$1,280)	

Tax Abatement	No	<- SELECT
Base/Increment Model	Yes/No	
Abatement %	100%	<- ENTER
Units Abated	Affordable Units	<- SELECT
Years	5	

Gap Financing	No	<- SELECT
	Yes/No	
Units Abated	Affordable Units	<- SELECT
Per Unit Amount	\$0	<- ENTER
Loan Rate	0%	<- ENTER

Approval Timeline	0	<- ENTER
	months reduced	

OVERALL FINDINGS

WITHOUT INCENTIVES	WITH INCENTIVES	DIFFERENCE
Yield on Cost 5.0% Unlikely Feasibility	Yield on Cost 5.1% Unlikely Feasibility	Yield 0.18%
IRR 3.9% Unlikely Feasibility	IRR 4.1% Unlikely Feasibility	IRR 0.17%

OTHER SUMMARIES OF INCENTIVE COSTS & BENEFITS

Inclusionary Zoning Rent Change	Abatement Provides	Difference
(\$17,285) per month	\$8,642 per month	(\$8,642)
Annual New Tax Revenue \$484,324	Annual Revenue Waived \$103,707	Percent Revenue Waived 18%
Total New Tax Revenue \$2,421,618	Total Revenue Waived \$518,537	

Tool Interface

CHARLOTTESVILLE DEVELOPMENT FEASIBILITY ASSESSMENT | Feasibility Evaluator

PROJECT INPUTS

Development Type	Mid Rise	<- SELECT
Submarket	Tier 1	<- SELECT
Buildings in Project	3	
Avg Units per Building	45	
Total Units	135	
Parking Type	Above Ground Deck	
Unit	0.75	
Cost Adjustments		
Construction	Standard	<- SELECT
Land	Standard	<- SELECT
Rent	Standard	<- SELECT

Affordable Units		
AMI Band 1	60%	<- SELECT
% of Units	10%	<- ENTER
AMI Band 2	80%	<- SELECT
% of Units	0%	<- ENTER
AMI Band 3	100%	<- SELECT
% of Units	0%	<- ENTER
Total Affordable Units	14	

RESET TO DEFAULT

POLICY TESTING

Tax Abatement	Yes	<- SELECT
Rent Gap Model	Yes/No	
Abatement %	50%	<- ENTER
Units Abated	Affordable Units	<- SELECT
Years	5	<- ENTER
Market Rent Avg	\$2,838	
Affordable Rent Avg	\$1,557	
Monthly Rent Gap	(\$1,280)	

Tax Abatement	No	<- SELECT
Base/Increment Model	Yes/No	
Abatement %	100%	<- ENTER
Units Abated	Affordable Units	<- SELECT
Years	5	

Gap Financing	No	<- SELECT
	Yes/No	
Units Abated	Affordable Units	<- SELECT
Per Unit Amount	\$0	<- ENTER
Loan Rate	0%	<- ENTER

Approval Timeline	months reduced	
-------------------	----------------	--

OVERALL FINDINGS

WITHOUT INCENTIVES	WITH INCENTIVES	DIFFERENCE
Yield on Cost 5.0% Unlikely Feasibility	Yield on Cost 5.1% Unlikely Feasibility	Yield 0.18%
IRR 3.9% Unlikely Feasibility	IRR 4.1% Unlikely Feasibility	IRR 0.17%

OTHER SUMMARIES OF INCENTIVE COSTS & BENEFITS

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Annual New Tax Revenue \$484,324	Annual Revenue Waived \$103,707	Percent Revenue Waived 18%
Total New Tax Revenue \$2,421,618	Total Revenue Waived \$518,537	

1
User selects project
details

2
And selects policy
intervention(s)

3
Financial summary
is returned

Inputs & Methods

- Inputs include:
 - **Costs** – Land, hard costs (materials & labor), soft costs (fees, plans), etc.
 - **Revenues** – Market rate and affordable rents
 - **Financial Assumptions** – Interest rates, ROI requirements, etc
- Inputs derived from local data, market research, paid data services, and local development community collaboration
- Importantly, many of these inputs can be unique to a single project, and can and do change with regularity, so our aim is to be reasonable, not perfect

Feasibility Model Demonstration

- In the next series of slides we will show how the model can be used
- Will walk through making selections on projects and public policies/interventions
- Illustrates how changing variables changes financial feasibility

PROJECT INPUTS

Development Type	Low Rise	<- SELECT
Submarket	Tier 3	<- SELECT
Buildings in Project	4	
Avg Units per Building	27	
Total Units	108	
Parking Type	Surface	
Spaces per Unit	1	

Cost Adjustments

Construction	Standard	<- SELECT
Land	Standard	<- SELECT
Rent	Standard	<- SELECT

Affordable Units		
AMI Band 1	60%	<- SELECT
% of Units	10%	<- ENTER
AMI Band 2	80%	<- SELECT
% of Units	0%	<- ENTER
AMI Band 3	100%	<- SELECT
% of Units	0%	<- ENTER
Total Affordable Units	11	

RESET TO DEFAULT

POLICY TESTING

Tax Abatement	No	<- SELECT
Rent Gap Model	Yes/No	
Abatement %	50%	<- ENTER
Units Abated	Affordable Units	<- SELECT
Years	10	<- ENTER
Market Rent Avg	\$2,164	
Affordable Rent Avg	\$1,586	
Monthly Rent Gap	(\$579)	

Tax Abatement	No	<- SELECT
Base/Increment Model	Yes/No	
Abatement %	50%	<- ENTER
Units Abated	Affordable Units	<- SELECT
Years	10	

Gap Financing	No	<- SELECT
Units Abated	Affordable Units	<- SELECT
Per Unit Amount	\$0	<- ENTER
Loan Rate	0%	<- ENTER

Approval Timeline	0	<- ENTER
	months reduced	

OVERALL FINDINGS

WITHOUT INCENTIVES	WITH INCENTIVES	DIFFERENCE
Yield on Cost	Yield on Cost	Yield
4.2%	4.2%	0.00%
Unlikely Feasibility	Unlikely Feasibility	
IRR	IRR	IRR
-0.7%	-0.7%	0.00%
Unlikely Feasibility	Unlikely Feasibility	

OTHER SUMMARIES OF INCENTIVE COSTS & BENEFITS

Inclusionary Zoning Rent Change	Abatement Provides	Difference
(\$6,250)	\$0	(\$6,250)
per month	per month	
Annual New Tax Revenue	Annual Revenue Waived	Percent Revenue Waived
\$357,614	\$0	0%
Total New Tax Revenue	Total Revenue Waived	
\$3,576,145	\$0	

PROJECT INPUTS

Development Type

Submarket

Buildings in Project

Avg Units per Building

Total Units

Parking Type

Spaces per Unit

Low Rise

Garden Apt

Low Rise

Mid Rise

High Rise

Single Family

Townhouse

108

Surface

1

< SELECT

< SELECT

< SELECT

< SELECT

< SELECT

< SELECT

< SELECT

Affordable Units

AMI Band 1

% of Units

AMI Band 2

% of Units

AMI Band 3

% of Units

Total Affordable Units

60%

10%

80%

0%

100%

0%

11

< SELECT

< ENTER

< SELECT

< ENTER

< SELECT

< ENTER

Cost Adjustments

Construction

Land

Rent

Standard

Standard

Standard

< SELECT

< SELECT

< SELECT

RESET TO DEFAULT

POLICY TESTING

Tax Abatement

Rent Gap Model

Abatement %

Units Abated

Years

Market Rent Avg

Affordable Rent Avg

Monthly Rent Gap

No

Yes/No

50%

Affordable Units

10

\$2,164

\$1,586

(\$579)

< SELECT

< ENTER

< SELECT

< ENTER

Tax Abatement

Base/Increment Model

Abatement %

Units Abated

Years

No

Yes/No

50%

Affordable Units

10

< SELECT

< ENTER

< SELECT

Gap Financing

Units Abated

Per Unit Amount

Loan Rate

No

Yes/No

Affordable Units

\$0

0%

< SELECT

< SELECT

< ENTER

< ENTER

Approval Timeline

0

months reduced

< ENTER

OVERALL FINDINGS

WITHOUT INCENTIVES	WITH INCENTIVES	DIFFERENCE
Yield on Cost	Yield on Cost	Yield
4.2%	4.2%	0.00%
Unlikely Feasibility	Unlikely Feasibility	
IRR	IRR	IRR
-0.7%	-0.7%	0.00%
Unlikely Feasibility	Unlikely Feasibility	

OTHER SUMMARIES OF INCENTIVE COSTS & BENEFITS

Inclusionary Zoning Rent Change	Abatement Provides	Difference
(\$6,250)	\$0	(\$6,250)
per month	per month	
Annual New Tax Revenue	Annual Revenue Waived	Percent Revenue Waived
\$357,614	\$0	0%
Total New Tax Revenue	Total Revenue Waived	
\$3,576,145	\$0	

PROJECT INPUTS

Development Type

Mid Rise

<- SELECT

Submarket

Tier 3

<- SELECT

Buildings in Project

Tier 1

Tier 2

Tier 3

Tier 4

Tier 5

Avg Units per Building

Total Units

Parking Type

Above Ground Deck

Spaces per Unit

1

Affordable Units

AMI Band 1

60%

<- SELECT

% of Units

10%

<- ENTER

AMI Band 2

80%

<- SELECT

% of Units

0%

<- ENTER

AMI Band 3

100%

<- SELECT

% of Units

0%

<- ENTER

Total Affordable Units

14

Cost Adjustments

Construction

Standard

<- SELECT

Land

Standard

<- SELECT

Rent

Standard

<- SELECT

RESET TO DEFAULT

POLICY TESTING

Tax Abatement

No

<- SELECT

Rent Gap Model

Yes/No

Abatement %

50%

<- ENTER

Units Abated

Affordable Units

<- SELECT

Years

10

<- ENTER

Market Rent Avg

\$2,567

Affordable Rent Avg

\$1,557

Monthly Rent Gap

(\$1,010)

Tax Abatement

No

<- SELECT

Base/Increment Model

Yes/No

Abatement %

50%

<- ENTER

Units Abated

Affordable Units

<- SELECT

Years

10

Gap Financing

No

<- SELECT

Yes/No

Units Abated

Affordable Units

<- SELECT

Per Unit Amount

\$0

<- ENTER

Loan Rate

0%

<- ENTER

Approval Timeline

0

<- ENTER

months reduced

OVERALL FINDINGS

WITHOUT INCENTIVES	WITH INCENTIVES	DIFFERENCE
<div>Yield on Cost</div> <div>4.5%</div> <div>Unlikely Feasibility</div>	<div>Yield on Cost</div> <div>4.5%</div> <div>Unlikely Feasibility</div>	<div>Yield</div> <div>0.00%</div>
<div>IRR</div> <div>1.5%</div> <div>Unlikely Feasibility</div>	<div>IRR</div> <div>1.5%</div> <div>Unlikely Feasibility</div>	<div>IRR</div> <div>0.00%</div>

OTHER SUMMARIES OF INCENTIVE COSTS & BENEFITS

<div>Inclusionary Zoning Rent Change</div> <div>(\$13,636)</div> <div>per month</div>	<div>Abatement Provides</div> <div>\$0</div> <div>per month</div>	<div>Difference</div> <div>(\$13,636)</div>
<div>Annual New Tax Revenue</div> <div>\$541,888</div>	<div>Annual Revenue Waived</div> <div>\$0</div>	<div>Percent Revenue Waived</div> <div>0%</div>
<div>Total New Tax Revenue</div> <div>\$5,418,876</div>	<div>Total Revenue Waived</div> <div>\$0</div>	

PROJECT INPUTS

Development Type

Mid Rise

<- SELECT

Submarket

Tier 1

<- SELECT

Buildings in Project

3

Avg Units per Building

45

Total Units

135

Parking Type

Above Ground Deck

Spaces per Unit

0.75

Cost Adjustments

Construction

Standard

<- SELECT

Land

Standard

<- SELECT

Rent

Standard

<- SELECT

Affordable Units

AMI Band 1

60%

<- SELECT

% of Units

10%

<-

AMI Band 2

80%

<- SELECT

% of Units

0%

<- ENTER

AMI Band 3

100%

<- SELECT

% of Units

0%

<- ENTER

Total Affordable Units

14

RESET TO DEFAULT

POLICY TESTING

Tax Abatement

No

<- SELECT

Rent Gap Model

Yes/No

Abatement %

50%

<- ENTER

Units Abated

Affordable Units

<- SELECT

Years

10

<- ENTER

Market Rent Avg

\$2,838

Affordable Rent Avg

\$1,557

Monthly Rent Gap

(\$1,280)

Tax Abatement

No

<- SELECT

Base/Increment Model

Yes/No

Abatement %

50%

<- ENTER

Units Abated

Affordable Units

<- SELECT

Years

10

Gap Financing

No

<- SELECT

Units Abated

Affordable Units

<- SELECT

Per Unit Amount

\$0

<- ENTER

Loan Rate

0%

<- ENTER

Approval Timeline

0

<- ENTER

months reduced

OVERALL FINDINGS

WITHOUT INCENTIVES	WITH INCENTIVES	DIFFERENCE
<div>Yield on Cost</div> <div>5.0%</div> <div>Unlikely Feasibility</div>	<div>Yield on Cost</div> <div>5.0%</div> <div>Unlikely Feasibility</div>	<div>Yield</div> <div>0.00%</div>
<div>IRR</div> <div>3.9%</div> <div>Unlikely Feasibility</div>	<div>IRR</div> <div>3.9%</div> <div>Unlikely Feasibility</div>	<div>IRR</div> <div>0.00%</div>

OTHER SUMMARIES OF INCENTIVE COSTS & BENEFITS

<div>Inclusionary Zoning Rent Change</div> <div>(\$17,285)</div> <div>per month</div>	<div>Abatement Provides</div> <div>\$0</div> <div>per month</div>	<div>Difference</div> <div>(\$17,285)</div>
<div>Annual New Tax Revenue</div> <div>\$588,031</div>	<div>Annual Revenue Waived</div> <div>\$0</div>	<div>Percent Revenue Waived</div> <div>0%</div>
<div>Total New Tax Revenue</div> <div>\$5,880,310</div>	<div>Total Revenue Waived</div> <div>\$0</div>	

PROJECT INPUTS

Development Type

Mid Rise

<- SELECT

Submarket

Tier 1

<- SELECT

Buildings in Project

3

Avg Units per Building

45

Total Units

135

Parking Type

Above Ground Deck

Spaces per Unit

0.75

Cost Adjustments

Construction

Standard

<- SELECT

Land

Standard

<- SELECT

Rent

Standard

<- SELECT

Affordable Units

AMI Band 1

60%

<- SELECT

% of Units

25%

<-

AMI Band 2

80%

<- SELECT

% of Units

0%

<- ENTER

AMI Band 3

100%

<- SELECT

% of Units

0%

<- ENTER

Total Affordable Units

34

RESET TO DEFAULT

POLICY TESTING

Tax Abatement

No

<- SELECT

Rent Gap Model

Yes/No

Abatement %

50%

<- ENTER

Units Abated

Affordable Units

<- SELECT

Years

10

<- ENTER

Market Rent Avg

\$2,838

Affordable Rent Avg

\$1,557

Monthly Rent Gap

(\$1,280)

Tax Abatement

No

<- SELECT

Base/Increment Model

Yes/No

Abatement %

50%

<- ENTER

Units Abated

Affordable Units

<- SELECT

Years

10

Gap Financing

No

<- SELECT

Units Abated

Affordable Units

<- SELECT

Per Unit Amount

\$0

<- ENTER

Loan Rate

0%

<- ENTER

Approval Timeline

0

<- ENTER

months reduced

OVERALL FINDINGS

WITHOUT INCENTIVES	WITH INCENTIVES	DIFFERENCE
<div>Yield on Cost</div> <div>4.4%</div> <div>Unlikely Feasibility</div>	<div>Yield on Cost</div> <div>4.4%</div> <div>Unlikely Feasibility</div>	<div>Yield</div> <div>0.00%</div>
<div>IRR</div> <div>0.5%</div> <div>Unlikely Feasibility</div>	<div>IRR</div> <div>0.5%</div> <div>Unlikely Feasibility</div>	<div>IRR</div> <div>0.00%</div>

OTHER SUMMARIES OF INCENTIVE COSTS & BENEFITS

<div>Inclusionary Zoning Rent Change</div> <div>(\$43,211)</div> <div>per month</div>	<div>Abatement Provides</div> <div>\$0</div> <div>per month</div>	<div>Difference</div> <div>(\$43,211)</div>
<div>Annual New Tax Revenue</div> <div>\$588,031</div>	<div>Annual Revenue Waived</div> <div>\$0</div>	<div>Percent Revenue Waived</div> <div>0%</div>
<div>Total New Tax Revenue</div> <div>\$5,880,310</div>	<div>Total Revenue Waived</div> <div>\$0</div>	

PROJECT INPUTS

Development Type

Mid Rise

<- SELECT

Submarket

Tier 1

<- SELECT

Buildings in Project

3

Avg Units per Building

45

Total Units

135

Parking Type

Above Ground Deck

Spaces per Unit

0.75

Cost Adjustments

Construction

Standard

<- SELECT

Land

Standard

<- SELECT

Rent

Standard

<- SELECT

Affordable Units

AMI Band 1

60%

<- SELECT

% of Units

10%

<- SELECT

AMI Band 2

80%

<- SELECT

% of Units

0%

<- ENTER

AMI Band 3

100%

<- SELECT

% of Units

10%

<- ENTER

Total Affordable Units

27

RESET TO DEFAULT

POLICY TESTING

Tax Abatement

No

<- SELECT

Rent Gap Model

Yes/No

Abatement %

50%

<- ENTER

Units Abated

Affordable Units

<- SELECT

Years

10

<- ENTER

Market Rent Avg

\$2,838

Affordable Rent Avg

\$2,076

Monthly Rent Gap

(\$761)

Tax Abatement

No

<- SELECT

Base/Increment Model

Yes/No

Abatement %

50%

<- ENTER

Units Abated

Affordable Units

<- SELECT

Years

10

Gap Financing

No

<- SELECT

Units Abated

Affordable Units

<- SELECT

Per Unit Amount

\$0

<- ENTER

Loan Rate

0%

<- ENTER

Approval Timeline

0

<- ENTER

months reduced

OVERALL FINDINGS

WITHOUT INCENTIVES	WITH INCENTIVES	DIFFERENCE
<div>Yield on Cost</div> <div>4.9%</div> <div>Unlikely Feasibility</div>	<div>Yield on Cost</div> <div>4.9%</div> <div>Unlikely Feasibility</div>	<div>Yield</div> <div>0.00%</div>
<div>IRR</div> <div>3.5%</div> <div>Unlikely Feasibility</div>	<div>IRR</div> <div>3.5%</div> <div>Unlikely Feasibility</div>	<div>IRR</div> <div>0.00%</div>

OTHER SUMMARIES OF INCENTIVE COSTS & BENEFITS

Inclusionary Zoning Rent Change	Abatement Provides	Difference
<div>(\$20,553)</div> <div>per month</div>	<div>\$0</div> <div>per month</div>	<div>(\$20,553)</div>
Annual New Tax Revenue	Annual Revenue Waived	Percent Revenue Waived
<div>\$588,031</div>	<div>\$0</div>	<div>0%</div>
Total New Tax Revenue	Total Revenue Waived	
<div>\$5,880,310</div>	<div>\$0</div>	

PROJECT INPUTS

Development Type

Mid Rise

<- SELECT

Submarket

Tier 1

<- SELECT

Buildings in Project

3

Avg Units per Building

45

Total Units

135

Parking Type

Above Ground Deck

Spaces per Unit

0.75

Affordable Units

AMI Band 1

60%

<- SELECT

% of Units

10%

<- ENTER

AMI Band 2

80%

<- SELECT

% of Units

0%

<- ENTER

AMI Band 3

100%

<- SELECT

% of Units

0%

<- ENTER

Total Affordable Units

14

Cost Adjustments

Construction

Standard

<- SELECT

Land

Standard

<- SELECT

Rent

Standard

<- SELECT

RESET TO DEFAULT

POLICY TESTING

Tax Abatement

No

<- SELECT

Rent Gap Model

Yes/No

Abatement %

50%

<- ENTER

Units Abated

Affordable Units

<- SELECT

Years

10

<- ENTER

Market Rent Avg

\$2,838

Affordable Rent Avg

\$1,557

Monthly Rent Gap

(\$1,280)

Tax Abatement

No

<- SELECT

Base/Increment Model

Yes/No

Abatement %

50%

<- ENTER

Units Abated

Affordable Units

<- SELECT

Years

10

Gap Financing

No

<- SELECT

Units Abated

Affordable Units

<- SELECT

Per Unit Amount

\$0

<- ENTER

Loan Rate

0%

<- ENTER

Approval Timeline

0

<- ENTER

months reduced

OVERALL FINDINGS

WITHOUT INCENTIVES	WITH INCENTIVES	DIFFERENCE
<div>Yield on Cost</div> <div>5.0%</div> <div>Unlikely Feasibility</div>	<div>Yield on Cost</div> <div>5.0%</div> <div>Unlikely Feasibility</div>	<div>Yield</div> <div>0.00%</div>
<div>IRR</div> <div>3.9%</div> <div>Unlikely Feasibility</div>	<div>IRR</div> <div>3.9%</div> <div>Unlikely Feasibility</div>	<div>IRR</div> <div>0.00%</div>

OTHER SUMMARIES OF INCENTIVE COSTS & BENEFITS

Inclusionary Zoning Rent Change	Abatement Provides	Difference
<div>(\$17,285)</div> <div>per month</div>	<div>\$0</div> <div>per month</div>	<div>(\$17,285)</div>
Annual New Tax Revenue	Annual Revenue Waived	Percent Revenue Waived
<div>\$588,031</div>	<div>\$0</div>	<div>0%</div>
Total New Tax Revenue	Total Revenue Waived	
<div>\$5,880,310</div>	<div>\$0</div>	

PROJECT INPUTS

Development Type

Mid Rise

<- SELECT

Submarket

Tier 1

<- SELECT

Buildings in Project

3

Avg Units per Building

45

Total Units

135

Parking Type

Above Ground Deck

Spaces per Unit

0.75

Affordable Units

AMI Band 1

60%

<- SELECT

% of Units

10%

<- ENTER

AMI Band 2

80%

<- SELECT

% of Units

0%

<- ENTER

AMI Band 3

100%

<- SELECT

% of Units

0%

<- ENTER

Total Affordable Units

14

Construction

Standard

<- SELECT

Land

Standard

<- SELECT

Rent

Standard

<- SELECT

RESET TO DEFAULT

POLICY TESTING

Tax Abatement

No

<- SELECT

Rent Gap Model

Yes/No

Abatement %

50%

<- ENTER

Units Abated

Affordable Units

<- SELECT

Years

10

<- ENTER

Market Rent Avg

\$2,838

Affordable Rent Avg

\$1,557

Monthly Rent Gap

(\$1,280)

Tax Abatement

Yes

<- SELECT

Base/Increment Model

Yes/No

Abatement %

50%

<- ENTER

Units Abated

Affordable Units

<- SELECT

Years

10

Gap Financing

No

<- SELECT

Units Abated

Affordable Units

<- SELECT

Per Unit Amount

\$0

<- ENTER

Loan Rate

0%

<- ENTER

Approval Timeline

0

<- ENTER

months reduced

OVERALL FINDINGS

WITHOUT INCENTIVES	WITH INCENTIVES	DIFFERENCE
<div>Yield on Cost</div> <div>5.0%</div> <div>Unlikely Feasibility</div>	<div>Yield on Cost</div> <div>5.0%</div> <div>Unlikely Feasibility</div>	<div>Yield</div> <div>0.05%</div>
<div>IRR</div> <div>3.9%</div> <div>Unlikely Feasibility</div>	<div>IRR</div> <div>4.0%</div> <div>Unlikely Feasibility</div>	<div>IRR</div> <div>0.10%</div>

OTHER SUMMARIES OF INCENTIVE COSTS & BENEFITS

<div>Inclusionary Zoning Rent Change</div> <div>(\$17,285)</div> <div>per month</div>	<div>Abatement Provides</div> <div>\$2,569</div> <div>per month</div>	<div>Difference</div> <div>(\$14,716)</div>
<div>Annual New Tax Revenue</div> <div>\$557,207</div>	<div>Annual Revenue Waived</div> <div>\$30,824</div>	<div>Percent Revenue Waived</div> <div>5%</div>
<div>Total New Tax Revenue</div> <div>\$5,572,072</div>	<div>Total Revenue Waived</div> <div>\$308,238</div>	

PROJECT INPUTS

Development Type

Mid Rise

< SELECT

Submarket

Tier 1

< SELECT

Buildings in Project

3

Avg Units per Building

45

Total Units

135

Parking Type

Above Ground Deck

Spaces per Unit

0.75

Affordable Units

AMI Band 1

60%

< SELECT

% of Units

10%

< ENTER

AMI Band 2

80%

< SELECT

% of Units

0%

< ENTER

AMI Band 3

100%

< SELECT

% of Units

0%

< ENTER

Total Affordable Units

14

RESET TO DEFAULT

Cost Adjustments

Construction

Standard

< SELECT

Land

Standard

< SELECT

Rent

Standard

< SELECT

POLICY TESTING

Tax Abatement

No

< SELECT

Rent Gap Model

Yes/No

Abatement %

50%

< ENTER

Units Abated

Affordable Units

< SELECT

Years

10

< ENTER

Market Rent Avg

\$2,838

Affordable Rent Avg

\$1,557

Monthly Rent Gap

(\$1,280)

Tax Abatement

Yes

< SELECT

Base/Increment Model

Yes/No

Abatement %

100%

< ENTER

Units Abated

Affordable Units

< SELECT

Years

10

Gap Financing

No

< SELECT

Yes/No

Units Abated

Affordable Units

< SELECT

Per Unit Amount

\$0

< ENTER

Loan Rate

0%

< ENTER

Approval Timeline

0

< ENTER

months reduced

OVERALL FINDINGS

WITHOUT INCENTIVES	WITH INCENTIVES	DIFFERENCE
<div>Yield on Cost</div> <div>5.0%</div> <div>Unlikely Feasibility</div>	<div>Yield on Cost</div> <div>5.1%</div> <div>Unlikely Feasibility</div>	<div>Yield</div> <div>0.10%</div>
<div>IRR</div> <div>3.9%</div> <div>Unlikely Feasibility</div>	<div>IRR</div> <div>4.1%</div> <div>Unlikely Feasibility</div>	<div>IRR</div> <div>0.19%</div>

OTHER SUMMARIES OF INCENTIVE COSTS & BENEFITS

<div>Inclusionary Zoning Rent Change</div> <div>(\$17,285)</div> <div>per month</div>	<div>Abatement Provides</div> <div>\$4,900</div> <div>per month</div>	<div>Difference</div> <div>(\$12,384)</div>
<div>Annual New Tax Revenue</div> <div>\$529,228</div>	<div>Annual Revenue Waived</div> <div>\$58,803</div>	<div>Percent Revenue Waived</div> <div>10%</div>
<div>Total New Tax Revenue</div> <div>\$5,292,279</div>	<div>Total Revenue Waived</div> <div>\$588,031</div>	

PROJECT INPUTS

Development Type

Mid Rise

<- SELECT

Submarket

Tier 1

<- SELECT

Buildings in Project

3

Avg Units per Building

45

Total Units

135

Parking Type

Above Ground Deck

Spaces per Unit

0.75

Affordable Units

AMI Band 1

60%

<- SELECT

% of Units

10%

<- ENTER

AMI Band 2

80%

<- SELECT

% of Units

0%

<- ENTER

AMI Band 3

100%

<- SELECT

% of Units

0%

<- ENTER

Total Affordable Units

14

RESET TO DEFAULT

Cost Adjustments

Construction

Standard

<- SELECT

Land

Standard

<- SELECT

Rent

Standard

<- SELECT

POLICY TESTING

Tax Abatement

No

<- SELECT

Rent Gap Model

Yes/No

Abatement %

50%

<- ENTER

Units Abated

Affordable Units

<- SELECT

Years

15

<- ENTER

Market Rent Avg

\$2,838

Affordable Rent Avg

\$1,557

Monthly Rent Gap

(\$1,280)

Tax Abatement

Yes

<- SELECT

Base/Increment Model

Yes/No

Abatement %

100%

<- ENTER

Units Abated

Affordable Units

<- SELECT

Years

15

Gap Financing

No

<- SELECT

Units Abated

Affordable Units

<- SELECT

Per Unit Amount

\$0

<- ENTER

Loan Rate

0%

<- ENTER

Approval Timeline

0

<- ENTER

months reduced

OVERALL FINDINGS

WITHOUT INCENTIVES	WITH INCENTIVES	DIFFERENCE
<div>Yield on Cost</div> <div>5.0%</div> <div>Unlikely Feasibility</div>	<div>Yield on Cost</div> <div>5.1%</div> <div>Unlikely Feasibility</div>	<div>Yield</div> <div>0.10%</div>
<div>IRR</div> <div>3.9%</div> <div>Unlikely Feasibility</div>	<div>IRR</div> <div>4.5%</div> <div>Unlikely Feasibility</div>	<div>IRR</div> <div>0.56%</div>

OTHER SUMMARIES OF INCENTIVE COSTS & BENEFITS

<div>Inclusionary Zoning Rent Change</div> <div>(\$17,285)</div> <div>per month</div>	<div>Abatement Provides</div> <div>\$4,900</div> <div>per month</div>	<div>Difference</div> <div>(\$12,384)</div>
<div>Annual New Tax Revenue</div> <div>\$529,228</div>	<div>Annual Revenue Waived</div> <div>\$58,803</div>	<div>Percent Revenue Waived</div> <div>10%</div>
<div>Total New Tax Revenue</div> <div>\$7,938,419</div>	<div>Total Revenue Waived</div> <div>\$882,047</div>	

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PROJECT INPUTS

Development Type	Mid Rise	<- SELECT
Submarket	Tier 1	<- SELECT
Buildings in Project	3	
Avg Units per Building	45	
Total Units	135	
Parking Type	Above Ground Deck	
Spaces per Unit	0.75	

Cost Adjustments

Construction	Standard	<- SELECT
Land	Standard	<- SELECT
Rent	Standard	<- SELECT

Affordable Units	
AMI Band 1	60% <- SELECT
% of Units	10% <- ENTER
AMI Band 2	80% <- SELECT
% of Units	0% <- ENTER
AMI Band 3	100% <- SELECT
% of Units	0% <- ENTER
Total Affordable Units	14

RESET TO DEFAULT

POLICY TESTING

Tax Abatement	Yes	<- SELECT
Rent Gap Model	Yes/No	
Abatement %	100%	<- ENTER
Units Abated	Affordable Units	<- SELECT
Years	15	<- ENTER
Market Rent Avg	\$2,838	
Affordable Rent Avg	\$1,557	
Monthly Rent Gap	(\$1,280)	



Tax Abatement	No	<- SELECT
Base/Increment Model	Yes/No	
Abatement %	100%	<- ENTER
Units Abated	Affordable Units	<- SELECT
Years	15	

Gap Financing	No	<- SELECT
	Yes/No	
Units Abated	Affordable Units	<- SELECT
Per Unit Amount	\$0	<- ENTER
Loan Rate	0%	<- ENTER

Approval Timeline	0	<- ENTER
	months reduced	

OVERALL FINDINGS

WITHOUT INCENTIVES	WITH INCENTIVES	DIFFERENCE
<div>Yield on Cost</div> <div>5.0%</div> <div>Unlikely Feasibility</div>	<div>Yield on Cost</div> <div>5.3%</div> <div>Unlikely Feasibility</div>	<div>Yield</div> <div>0.36%</div>
<div>IRR</div> <div>3.9%</div> <div>Unlikely Feasibility</div>	<div>IRR</div> <div>5.8%</div> <div>Unlikely Feasibility</div>	<div>IRR</div> <div>1.87%</div>

OTHER SUMMARIES OF INCENTIVE COSTS & BENEFITS

Inclusionary Zoning Rent Change	Abatement Provides	Difference
(\$17,285) per month	\$17,285 per month	\$0
Annual New Tax Revenue	Annual Revenue Waived	Percent Revenue Waived
\$380,616	\$207,415	35%
Total New Tax Revenue	Total Revenue Waived	
\$5,709,245	\$3,111,220	

Development Type	Mid Rise	<- SELECT
Submarket	Tier 1	<- SELECT
Buildings in Project	3	
Avg Units per Building	45	
Total Units	135	
Parking Type	Above Ground Deck	
Spaces per Unit	0.75	

Cost Adjustments

Construction	Standard	<- SELECT
Land	Standard	<- SELECT
Rent	Standard	<- SELECT

Affordable Units		
AMI Band 1	60%	<- SELECT
% of Units	10%	<- ENTER
AMI Band 2	80%	<- SELECT
% of Units	0%	<- ENTER
AMI Band 3	100%	<- SELECT
% of Units	0%	<- ENTER
Total Affordable Units	14	

RESET TO DEFAULT

POLICY TESTING

Tax Abatement	No	<- SELECT
Rent Gap Model	Yes/No	
Abatement %	50%	<- ENTER
Units Abated	Affordable Units	<- SELECT
Years	15	<- ENTER
Market Rent Avg	\$2,838	
Affordable Rent Avg	\$1,557	
Monthly Rent Gap	(\$1,280)	

Tax Abatement	Yes	<- SELECT
Base/Increment Model	Yes/No	
Abatement %	100%	<- ENTER
Units Abated	Affordable Units	<- SELECT
Years	15	<- ENTER

Gap Financing	No	<- SELECT
	Yes/No	
Units Abated	Affordable Units	<- SELECT
Per Unit Amount	\$0	<- ENTER
Loan Rate	0%	<- ENTER

Approval Timeline	0	<- ENTER
	months reduced	

Land Provision	No	<- SELECT
	Yes/No	
	0%	<- ENTER
	reduction	

Forgivable Loan	No	<- SELECT
	Yes/No	
Amount	\$0	<- ENTER

Yield on Cost
5.0%
Unlikely Feasibility

Yield on Cost
5.1%
Unlikely Feasibility

Yield
0.10%

IRR
3.9%
Unlikely Feasibility

IRR
4.5%
Unlikely Feasibility

IRR
0.56%

OTHER SUMMARIES OF INCENTIVE COSTS & BENEFITS

Inclusionary Zoning Rent Change	Abatement Provides	Difference
(\$17,285)	\$4,900	(\$12,384)
per month	per month	
Annual New Tax Revenue	Annual Revenue Waived	Percent Revenue Waived
\$529,228	\$58,803	10%
Total New Tax Revenue	Total Revenue Waived	
\$7,938,419	\$882,047	



Development Type	Mid Rise	<- SELECT
Submarket	Tier 1	<- SELECT
Buildings in Project	3	
Avg Units per Building	45	
Total Units	135	
Parking Type	Above Ground Deck	
Spaces per Unit	0.75	

Cost Adjustments

Construction	Standard	<- SELECT
Land	Standard	<- SELECT
Rent	Standard	<- SELECT

Affordable Units		
AMI Band 1	60%	<- SELECT
% of Units	10%	<- ENTER
AMI Band 2	80%	<- SELECT
% of Units	0%	<- ENTER
AMI Band 3	100%	<- SELECT
% of Units	0%	<- ENTER
Total Affordable Units	14	

RESET TO DEFAULT

POLICY TESTING

Tax Abatement	No	<- SELECT
Rent Gap Model	Yes/No	
Abatement %	50%	<- ENTER
Units Abated	Affordable Units	<- SELECT
Years	15	<- ENTER
Market Rent Avg	\$2,838	
Affordable Rent Avg	\$1,557	
Monthly Rent Gap	(\$1,280)	

Tax Abatement	Yes	<- SELECT
Base/Increment Model	Yes/No	
Abatement %	100%	<- ENTER
Units Abated	Affordable Units	<- SELECT
Years	15	

Gap Financing	No	<- SELECT
	Yes/No	
Units Abated	Affordable Units	<- SELECT
Per Unit Amount	\$0	<- ENTER
Loan Rate	0%	<- ENTER

Approval Timeline	0	<- ENTER
	months reduced	

Land Provision	Yes	<- SELECT
	Yes/No	
	100%	<- ENTER
	reduction	

Forgivable Loan	No	<- SELECT
	Yes/No	
Amount	\$0	<- ENTER

Yield on Cost	Yield on Cost	Yield
5.0%	5.3%	0.37%
Unlikely Feasibility	Unlikely Feasibility	
IRR	IRR	IRR
3.9%	7.0%	3.06%
Unlikely Feasibility	Unlikely Feasibility	

OTHER SUMMARIES OF INCENTIVE COSTS & BENEFITS

Inclusionary Zoning Rent Change	Abatement Provides	Difference
(\$17,285)	\$4,900	(\$12,384)
per month	per month	
Annual New Tax Revenue	Annual Revenue Waived	Percent Revenue Waived
\$529,228	\$58,803	10%
Total New Tax Revenue	Total Revenue Waived	
\$7,938,419	\$882,047	



Development Feasibility Analysis Overview

Key Questions We Explored

- What is the feasibility of a “typical” project today?
- What does the inclusionary zoning policy do to feasibility?
- What do incentives (tax abatement + others) do to feasibility?
- What are the trade-offs for the City and the developer?

Current Market Feasibility

- Assessed the market feasibility under current conditions, which includes the inclusionary zoning requirement
- New construction feasibility is limited, with no product reaching the yield or IRR thresholds for “likely feasible”

Likely Feasible
Possibly Feasible
Likely Not Feasible

CURRENT MARKET FEASIBILITY					
Yield on Cost					
Typology	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
High Rise	6.2%	6.0%	5.8%	5.6%	5.6%
Mid Rise	5.0%	4.8%	4.5%	4.3%	4.8%
Low Rise	4.4%	4.1%	4.3%	4.1%	4.2%
Garden Apt	4.2%	3.9%	4.1%	4.0%	4.1%
Townhouse	4.5%	4.1%	4.2%	4.1%	3.9%

IRR					
Typology	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
High Rise	8%	8%	7%	6%	7%
Mid Rise	4%	3%	2%	0%	4%
Low Rise	1%	-2%	0%	-1%	-1%
Garden Apt	-1%	0%	-2%	-3%	-2%
Townhouse	1%	-2%	0%	-2%	0%

Inclusionary Zoning Feasibility Impact

- Next, looked at market feasibility without inclusionary zoning
- Yields increase by as much as 0.5% and IRR by 2+%*
- Viability is still difficult for nearly all typicals

* Under model's assumptions. This may be even higher for some projects and financing methods, per local feedback

Likely Feasible
Possibly Feasible
Likely Not Feasible

FEASIBILITY WITHOUT INCLUSIONARY ZONING

Yield on Cost					
Typology	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
High Rise	6.7%	6.4%	6.2%	5.9%	6.0%
Mid Rise	5.3%	5.2%	4.8%	4.6%	5.1%
Low Rise	4.7%	4.3%	4.4%	4.3%	4.3%
Garden Apt	4.5%	4.1%	4.2%	4.1%	4.2%
Townhouse	4.8%	4.4%	4.5%	4.3%	4.1%

IRR					
Typology	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
High Rise	10%	9%	9%	8%	8%
Mid Rise	6%	5%	4%	2%	5%
Low Rise	3%	0%	1%	0%	0%
Garden Apt	1%	-2%	-1%	-2%	-1%
Townhouse	3%	1%	2%	0%	-2%

Tax Abatement Impacts

- We modeled the impacts of two different tax abatement approaches
- **Value-Based Abatement**
 - Traditional abatement, based on a percentage of the post-development incremental tax revenue. Relies on assessed property values
- **Rent-Gap Abatement**
 - Abatement based on the gap between market rent and affordable rent. Relies on current market prices

Value-Based Tax Abatement Impacts

- Value-based abatement has a positive impact on returns, rising as abatement percentage rises
- But abatement “return” to owner is lower than rent “loss” from affordable unit
- Similar patterns emerge across housing types and locations

Mid-Rise Tier 3 Value-Based Abatement Example (135 unit development, ~\$2,500 avg rent)						
Abatement Percentage	Yield Change	IRR Change	Monthly Owner “Loss” from Affordable Units	Abatement “Return” for Affordable Units	Annual Revenue “Waived” / “Invested”	“New” Tax Revenue
25%	0.02%	0.17%	\$13,636	\$1,162	\$13,944	\$527,943
50%	0.05%	0.35%	\$13,636	\$2,324	\$27,888	\$513,599
75%	0.07%	0.52%	\$13,636	\$3,486	\$41,382	\$500,035
100%	0.09%	0.67%	\$13,636	\$4,516	\$54,189	\$487,699

Rent-Gap Tax Abatement Impacts

- A rent gap abatement has larger benefit to yields and IRR
- Developments can be “made whole” using this, but comes at a greater cost to the City
- The abatement amount is tied to market prices, so as prices change so too does abatement

Mid-Rise Tier 3 Rent-Gap Abatement Example (135 unit development, ~\$2,500 avg rent)						
Abatement Percentage	Yield Change	IRR Change	Monthly Owner “Loss” from Affordable Units	Abatement “Return” for Affordable Units	Annual Revenue “Waived” / “Invested”	“New” Tax Revenue
25%	0.07%	0.51%	\$13,636	\$3,409	\$40,909	\$500,797
50%	0.14%	0.99%	\$13,636	\$6,818	\$81,817	\$460,070
75%	0.21%	1.45%	\$13,636	\$10,227	\$122,726	\$419,162
100%	0.29%	1.90%	\$13,636	\$13,636	\$163,634	\$378,253

Abatement Approach Pros & Cons

Value-Based Abatement

- Pros: Tried and true improvement to bottom line
- Cons: Doesn't fully close current market gaps; May not encourage development in difficult market conditions

Rent-Gap Abatement

- Pros: Directly addresses IZ financial losses; Could be more appealing in difficult financial conditions
- Cons: Rarely used (Baltimore only found example, and it's new there), so administrative unknowns exist

Tax Abatement Pros & Cons

- For all abatements, the possibility exists of providing financial benefit that can make new housing happen
- For all abatements, the risk exists that they are not sufficient to stimulate a down market, making them more commonly used during strong markets
- For all abatements, the risk exists that the City provides a tax abatement to a project that would have been built without it

Other Potential Incentives

- Gap financing, land provision, reduced review/approval timeline, and forgivable loans all improve yields and IRRs in example analyses
- Tool can be used to further explore alternative incentives (alone or in combination)

OTHER POTENTIAL INCENTIVES (135 unit Mid-Rise Tier 3 development, ~\$2,500 avg rent)		
Incentive Type	Amount	IRR Change
Gap Financing	\$1.4m	0.5%
Land Provision	\$1.6m	1.4%
Reduced Timeline	6 months	0.9%
Forgivable Loan	\$1.5m	1.5%



Wrap-Up

Key Findings

- Market conditions are challenging right now
- Inclusionary Zoning adding to that challenge
- Traditional tax abatements help, but alone currently insufficient
- Rent-gap tax abatement merits consideration as a better balance between public and private priorities
- Other incentives/policies may still be needed
- Leave-behind tool allows for future adaptability and exploration

Contacts

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 - Jeremy@3tpventures.com
- Mike Callahan
 - Mike@3tpventures.com

Policy Briefing Summary

City Council



Regarding:	Westhaven Redevelopment Update
Staff Contact(s):	James Freas, Deputy City Manager, John Sales
Presenter:	James Freas, Deputy City Manager, John Sales
Date of Proposed Action:	February 17, 2026

Issue

The City has identified \$15 million in its Capital Improvement Plan to support the redevelopment of the Westhaven site. The Charlottesville Redevelopment and Housing Authority, working with its residents and advisors, recently presented a plan for that redevelopment, which includes updated costs.

Background / Rule

Westhaven is the City's largest public housing community and was originally constructed in 1965. The Capital Improvement Plan calls for a \$15 million investment towards the redevelopment of this site to both improve and expand the number of units. The Charlottesville Redevelopment and Housing Authority has been working with a resident planners group and several technical advisors on this plan for approximately three years.

Westhaven currently has 126 public housing units. The proposed plan includes 242 total units across two primary phases.

Analysis

The Westhaven Redevelopment (Phase 1) will include demolition of the southern side of the property, extensive site work, and construction of two 6-story apartment buildings with a pedestrian connection to West Main Street. Building 1 (West) will include ground level parking, community spaces on the east end, and 68 1-bedroom and 8 2-bedroom affordable rental apartments. Building 2 (East) will include ground level parking, community spaces on both ends of the building, 5 1-bedroom bedroom, and 44 2-bedroom, and 15 3-bedroom affordable rental apartments. Foundations will be prepared for the townhomes to be built in the future Westhaven Redevelopment. Phase 2 will include 102 townhomes, many outdoor amenities, and a multi-use building on 10th Street.

Financial Impact

N/A

Recommendation

N/A

Recommended Motion (if Applicable)

N/A

Attachments

1. 25_1211 Westhaven Planners Meeting_Final



- LEGEND**
- ① COMM. CENTER / OFFICES / CLINIC
 - ② PLAYGROUND
 - ③ OPEN PLAY FIELD
 - ④ SMALL GATHERING
 - ⑤ PICNIC PAVILION / LARGE GATHERING
 - ⑥ PEDESTRIAN PROMENADE
 - ⑦ COMMUNITY GARDEN
 - ⑧ POLLINATOR GARDEN
 - ⑨ CROSSWALKS & TRAFFIC CALMING
 - ⑩ DUMPSTER / TRASH CORRAL
 - ⑪ W MAIN ACCESSIBLE WALK WITH HISTORICAL INTERPRETIVE SIGNAGE





BELMONT HEIGHTS APARTMENTS







CITY OF CHARLOTTESVILLE



Proclamation

**HONORING JOHN NEAL
2024–25 NATIONAL HIGH SCHOOL
BOYS TENNIS COACH OF THE YEAR**

WHEREAS John Neal has demonstrated exceptional leadership and dedication as head coach of the Charlottesville High School boys tennis team, transforming a once-struggling program into one of Virginia’s premier high school tennis programs in just seven years; and

WHEREAS, under Coach Neal’s guidance, the team achieved a 39–5 record over the past two seasons and earned back-to-back Virginia High School League state championships, including the school’s first state title in 37 years during the 2023–24 season; and

WHEREAS, in recognition of these outstanding accomplishments, John Neal was named Central Virginia Boys Tennis Coach of the Year in 2025 and selected as the 2024–25 National High School Boys Tennis Coach of the Year by the NFHS Coaches Association; and

WHEREAS Coach Neal’s recent appointment as Director of Tennis at Charlottesville High School reflects his commitment to excellence and equity, as he now leads and unifies both the boys and girls tennis programs to ensure high-quality coaching and opportunity for all student-athletes;

NOW, THEREFORE, BE IT PROCLAIMED that the City of Charlottesville hereby recognizes and congratulates John Neal for his extraordinary contributions to student-athletes, scholastic athletics, and the Charlottesville community.

Signed and dated the 17th day of February 2026.

Juandiego Wade, Mayor

Kyna Thomas, Clerk

CITY OF CHARLOTTESVILLE



Proclamation

Invasive Species Awareness Week February 23 - 27, 2026

WHEREAS Charlottesville’s tree canopy is a vital resource for neighborhood health, safety, and resilience against climate change by providing shade, purifying air, managing stormwater, reducing the heat island effect, and sequestering carbon; and

WHEREAS invasive vines and other invasive species jeopardize the health of our urban tree canopy by outcompeting native species, restricting the flow of nutrients, and causing breakage or leading to trees falling; and

WHEREAS Charlottesville’s commitments as a Biophilic City, Bee City, and Tree City seek to promote awareness and education as well as foster a culture of stewardship and a sense of belonging in the natural world in which community members feel responsible for the health of our urban forest and the natural world; and

WHEREAS the nature of this work relies on the ongoing support and collaboration among local organizations such as the Charlottesville Area Tree Stewards, Rivanna Master Naturalists, ReLeaf C’ville, Piedmont Master Gardeners, the Botanical Garden of the Piedmont, the Virginia Native Plant Society, Rivanna Conservation Alliance, Blue Ridge PRISM, the City Tree Commission, and various City departments;

NOW, THEREFORE, BE IT PROCLAIMED that we, the Charlottesville City Council, declare February 23 - 27, 2026, as Invasive Species Awareness Week and encourage residents to participate in upcoming events hosted by the Charlottesville Invasive Plant Partnership and other Virginia Invasive Species Week affiliates to raise awareness and learn skills for protecting our community’s urban tree canopy from invasive vines.

Signed and sealed this 17th day of February 2026.

Juandiego Wade, Mayor

Kyna Thomas, Clerk



CHARLOTTESVILLE CITY COUNCIL MEETING MINUTES

January 29, 2026 at 6:00 PM

ZOOM Electronic Meeting

www.charlottesville.gov/zoom

Pursuant to Virginia Code Section 2.2-3708.2. “Meetings held through electronic communication means during declared states of emergency”, City Council held an electronic meeting, with notice that the meeting location changed from a physical location to electronic.

Mayor Juandiego Wade called the January 29, 2026, City Council Budget Work Session to order and Clerk of Council Kyna Thomas called the roll, noting the following councilors present: Mayor Juandiego Wade, Vice Mayor Natalie Oschrein, and Councilors Jen Fleisher and Lloyd Snook.

Mayor Wade turned the meeting over to City Manager Samuel Sanders, Jr., who acknowledged staff presenters.

Councilor Michael Payne joined the meeting at 6:01 p.m.

Krisy Hammill, Director of Budget and Grants Management, provided an overview of the meeting agenda, which included the city’s adopted budget guidelines and financial policies, the impact of real property reassessments, revenue projections for Fiscal Year (FY) 2027 and discussion of tax rate advertising.

David Milton, City Assessor, shared information about real estate assessment changes from the previous year, assessment trends, and he answered questions from Council. Total taxable property increased from \$11,767,301,300 to \$12,205,639,500, representing a total assessed value increase of \$438,338,200 or 3.73%. The reassessment of existing property increased by \$402,181,830 or 3.42%. Existing residential property increased by a total of \$301,513,700 or 4.27%. Existing commercial property increased by \$100,668,130 or 2.14%. The average assessed value for taxable residential property is \$548,800, a 4% increase.

Ms. Hammill indicated that at first glance, revenue projections for FY27 are approximately \$7 Million more than revenues from the FY2026 Adopted Budget.

Todd Divers, Commissioner of the Revenue, stated that Personal Property Tax revenues should be confirmed within the next couple of weeks, and that until the last several months, there were concerns about various other tax revenues.

Chris Cullinan, Finance Director, explained the line item showing Payment in Lieu of Taxes (PILOT), a decision made years ago to show as a Utility rate expense. He described it as a formulaic calculation.

Mr. Sanders presented FY27 Budget Drivers:

- Employee Compensation and Benefits, specifically collective bargaining for Police, Fire, Transit, and the Teamsters contract; Unaffiliated employees pay adjustment; and City cost increase for employee benefits.
- Schools local contribution per 40% formula and additional request from Schools.
- Other Notable Drivers:

- Jail Renovation
- Debt Service
- Affordable Housing
- CAT Expansion, with a commitment to hiring 10 new drivers, along with additional support staff, zero-fare, and collective bargaining adjustments. Garland Williams, Director of Transit, answered questions regarding transit operations for the public and for Charlottesville City Schools, confirming that City Schools did not request additional bus drivers.

Ms. Hammill shared that the first tax rate public hearing will be on March 16, and she requested indication from Council whether they want to advertise a tax increase for consideration during budget deliberations.

At Council's request, Ms. Hammill presented a list of various tax rates for Virginia localities.

Mr. Milton stated that he was notified today that the mailing of assessment notices will be delayed to Monday, February 2nd due to inclement weather, and he is extending the appeal period.

Councilor Payne suggested adding an amount for Participatory Budgeting, addressing the Payment in Lieu of Taxes approach, and potential intervention needed with housing displacements. He indicated a desire to advertise a real estate tax increase for the purpose of discussion.

Councilor Snook questioned legislative bills currently moving through the General Assembly to tax land and improvements separately, and how that would work in practice locally. Mr. Milton stated that Roanoke City adopted the tax approach a decade ago and has not implemented a different tax for land and improvements, stating that the burden shifts to residential properties and gives commercial properties an advantage.

John Maddux, City Attorney, reminded Council of the Charlottesville Legislative Agenda request to "Recommend amending §58.1-3221.1 to add Charlottesville to the list of localities permitted to tax improvements to real property at a different rate than the tax imposed upon the land on which the improvement is located, provided that the tax rate is not zero and does not exceed the tax rate imposed on the land."

Vice Mayor Oschrein expressed interest in the incremental payment over time for PILOT fees.

Mr. Sanders answered additional questions from Councilor Fleisher and Mayor Wade, emphasizing the challenges presented by the FY27 budget. He thanked staff and the public for working to mitigate effects of the recent inclement weather event.

On motion by Snook, seconded by Oschrein, Council by acclamation adjourned the meeting at 7:29 p.m.

BY Order of City Council

BY Kyna Thomas, Clerk of Council



**CHARLOTTESVILLE CITY COUNCIL
SPECIAL MEETING MINUTES
School Board / City Council Joint Work Session
February 9, 2026, at 5:00 p.m.**

Walker Upper Elementary School Cafeteria, 1564 Dairy Road, Charlottesville, VA

The February 9, 2026, joint budget work session of the Charlottesville City Council and the Charlottesville City School Board was called to order by Vice Chair Amanda Barnes.

Deputy School Board Clerk Leslie Thacker called the roll for School Board Members, establishing a quorum, and Clerk of Council Kyna Thomas called the roll for City Council, noting the following members present: Mayor Juandiego Wade, Vice Mayor Natalie Oschrein, and Councilor Lloyd Snook. Councilor Jen Fleisher requested to participate electronically over Zoom while on vacation in Costa Rica.

On motion by Snook, seconded by Oschrein, Council by a vote of 3-0 approved electronic participation by Councilor Fleisher.

Ms. Barnes called a vote for agenda approval, and the agenda was adopted unanimously.

Dr. Royal Gurley, Superintendent of Charlottesville City Schools (CCS), announced a successful collective bargaining meeting held earlier in the day, resulting in CEA (Charlottesville Education Association) agreeing to put forth a contract to include.... Dr. Gurley's presentation of the Superintendent's Proposed Budget for Fiscal Year 2027 covered the topics of budget priorities, trends in State enrollment, CCS Fall membership trends, State budget impacts on CCS, and expenditures, including salaries and wages. Budget priorities include:

- Increase academic achievement
- Provide a culture of safety, wellness, and belonging
- Support our staff
- Ensure effective and efficient operations

Councilor Payne joined the meeting at 5:17 p.m.

Dr. Gurley reviewed personnel resource allocation, compensation increase options, personnel savings, and non-discretionary expenditures such as maintenance and transportation. With total revenue expenses and a projected State revenue loss, the request from Schools is projected to be \$2,992,879 above the formulaic annual contribution.

City Manager Samuel Sanders, Jr., summarized work being done by city staff to balance the city budget, and considerations for balancing the budget for proposal to City Council.

Councilor Snook explained that because of the budget development process, City Council members were not briefed on school compensation matters before this meeting. Councilors asked various questions and made comments about the budget process

Ms. Barnes opened the floor for comments from members of the community, and the following individuals spoke:

- Bryce Estes, teacher at Trailblazer Elementary School
- Shemeka Hanson, Instructional Assistant at Jackson Via Elementary School

- Abigail Johnson, teacher at Jackson Via Elementary School
- Michael Salvatiera, teacher at Trailblazer Elementary School
- Alex Heinsman, parent of multiple CCS students
- Christine Esposito, 26-year teacher at CCS
- Emily Kingsley, teacher at Walker Upper Elementary School
- Terry Stipe, 19-year teacher at Sunrise Elementary School
- Dee Nelson, CCS staff member
- Sylethia Howard, member of the bargaining team
- Sidney Reid, Special Education Instructional Assistant at Jackson Via Elementary School
- Asa Shinnett, teacher at Walker Upper Elementary School

Vice Chair Barnes adjourned the School Board and on motion by Snook, seconded by Oschrin, City Council adjourned by acclamation at 6:29 p.m.

BY Order of City Council

BY Kyna Thomas, Clerk of Council

Policy Briefing Summary

City Council



Regarding:	Resolution to Appropriate National League of Cities Southern Cities Economic Initiative Program Funds - \$60,000 (2nd reading)
Staff Contact(s):	Steven King, Assistant to the City Manager, Ashley Marshall, Chief Prosperity Officer
Presenter:	Steven King, Assistant to the City Manager
Date of Proposed Action:	February 17, 2026

Issue

Appropriate funding from the National League of Cities (NLC) Southern Cities Economic Initiative (SCEI) Phase II program.

Background / Rule

In 2024, the City and its partner, United Way of Greater Charlottesville, were accepted into the first phase of the National League of Cities (NLC) Southern Cities Economic Initiative (SCEI) with 19 other localities, which focused on research and planning to create a proposed initiative to increase the economic mobility and opportunity of a locality. In 2026, after completing phase 1 through a submission of a Business Plan, the City and United Way of Greater Charlottesville have been accepted into the second two-year-long phase along with 13 other localities that will focus on implementing the proposed initiative: The Early Learning Center Career Launch Initiative, which focuses on strengthening economic inclusion by expanding and stabilizing the region's early childhood education workforce, thus supporting job seekers, center leaders, and families by expanding the opportunity for our littlest residents to access safe, quality early learning and child care programs.

Analysis

In 2024, the National League of Cities (NLC) competitively selected 20 cities to participate in the Southern Cities Economic Initiative (SCEI) program phase, including the City of Charlottesville (see <https://www.nlc.org/post/2025/04/24/national-league-of-cities-selects-20-southern-communities-to-participate-in-economic-resiliency-cohort/>). The City entered this planning phase in partnership with United Way of Greater Charlottesville, which leads our areas Ready Regions work as well as has a focus on the impact of accessible early learning opportunities and child care for our communities' families.

Throughout the planning phase, the 20 communities had the opportunity to draft a business plan in hopes of receiving additional grant funding to implement their proposed program. The City of Charlottesville is one of 14 cities selected for the next two-year phase of SCEI. The other cities selected to participate in the implementation phase are Atlanta, GA; Center Point, AL; Fayetteville, AR; Greenville, MS; Harrisonburg, VA; Jackson, MS; Jonesboro, GA; Lauderhill, FL; Little Rock, AR; Monroe, LA; Natchitoches, LA; New Orleans, LA; and Thomasville, NC. The implementation phase and corresponding funding for this grant is through NLC's partnerships with the Federal Reserve Bank of Atlanta, with support from the W.K. Kellogg Foundation, the Annie E. Casey Foundation, the Robert Wood Johnson Foundation, the Kresge Foundation, and the Nathan Cummings Foundation.

The City is being awarded \$60,000 for the implementation phase, which will run from January 2026 to December 2027. Funds will be spent on implementing "The Early Learning Career Launch (ELCL) initiative," a partnership between the City of Charlottesville and United Way of Greater Charlottesville

(UWGC) designed to strengthen economic inclusion by expanding and stabilizing the region's early childhood education workforce. Anchored within the City Manager's Community Prosperity Laboratory, under the leadership of the Chief Prosperity Officer, this initiative directly addresses two local barriers to economic mobility: the shortage of qualified early childhood educators, which constrains childcare availability and family workforce participation, and the lack of accessible, paid, and supported career pathways for residents seeking to enter or advance in the early learning field. The ELCL will focus primarily on its Program Level 2: New Entry-Level Educators, creating structured, paid pathways into the profession for adults seeking stable, meaningful employment. Through the Southern Cities Economic Inclusion (SCEI) grant, the program focuses on delivering short-term workforce training, hands-on mentorship, wraparound support, and financial incentives to prepare and retain new educators in partnership with local childcare centers.

Financial Impact

None; the grant funding will go to our partners, United Way of Greater Charlottesville, to fund the workforce program pilot project. No general fund dollars will be allocated for this project.

Recommendation

Staff recommends approval and appropriation of the NLC SCEI grant funds to allow exploration of key programs that could increase access to Early Learning classrooms for parents, and provide employment opportunities for members of our community.

Recommended Motion (if Applicable)

I move to approve the resolution appropriating the \$60,000 from NLC to support the Implementation Phase of the Southern Cities Economic Initiative program.

Attachments

1. Resolution Appropriating NLC SCEI Implementation Grant for \$60,000



RESOLUTION #R-__ - __
NATIONAL LEAGUE OF CITIES SOUTHERN CITIES ECONOMIC INITIATIVE (SCEI) PROJECT
GRANT \$60,000

WHEREAS the City of Charlottesville has received a Southern Cities Economic Initiative grant from the National League of Cities (NLC) Southern Cities Economic Initiative (SCEI) Program in the amount of \$60,000; and

WHEREAS the funds will be used to support the implementation of a local project with United Way Greater Charlottesville that seeks to expand and sustain the economic mobility of residents and our communities' access to quality Early Learning care; and

WHEREAS the grant award covers the period from January 1, 2026, through December 31, 2027;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Charlottesville, Virginia, that the sum of \$60,000 is hereby appropriated in the following manner:

Revenue – \$60,000.00

\$60,000.00 Fund: 210 Order: 1900637 G/L: 451022

Expenditures - \$24,000.00

\$60,000.00 Fund: 210 Order: 1900637 G/L: 530550

BE IT FURTHER RESOLVED that this appropriation is conditioned upon the receipt of \$60,000.00 from the National League of Cities Southern Cities Economic Initiative Program.

Date Adopted:

Certified: _____
Clerk of Council

Policy Briefing Summary

City Council



Regarding:	Ordinance Amending Section 11-131 of the Charlottesville City Code Regarding Compromise and Payment of Claims Against the City (2nd reading)
Staff Contact(s):	John Maddux, City Attorney
Presenter:	John Maddux, City Attorney
Date of Proposed Action:	February 17, 2026

Issue

Section 11-131 of the City Code establishes the approval thresholds for resolving claims against the City that are not covered by insurance or that fall within the City's deductible. The existing dollar limits were adopted in 1997 and no longer reflect current settlement values, litigation costs, or risk management practices. As a result, relatively routine claims must be taken to City Council for approval, which can delay resolution, increase administrative and legal costs, and expose the City to additional risk.

City Council has requested that the settlement authority framework be updated to allow the City Attorney to resolve lower-dollar claims, to allow the City Attorney and City Manager jointly to resolve moderate-dollar claims, and to reserve City Council approval for higher-dollar settlements. The proposed amendment implements this structure while retaining Council oversight for claims that present greater fiscal or policy significance and adding a simple notice requirement to keep Council informed of settlements approved under the delegated authority.

Background / Rule

Section 11-131 of the Charlottesville City Code governs the compromise and payment of claims made against the City that are not covered by insurance or that fall within the City's insurance deductibles. The section authorizes payment of such claims from the City's Risk Management Fund and establishes approval thresholds based on the dollar amount of the claim.

Under the current Code, claims of \$5,000 or less may be paid upon certification by the City Attorney, claims between \$5,000 and \$15,000 require certification by both the City Attorney and City Manager, and any claim exceeding \$15,000 must be approved by City Council. All payments are made by the Director of Finance from the Risk Management Fund.

The proposed amendment revises only the approval thresholds and related certifications. It does not change the source of funds, the requirement that liability or compromise be certified, or the role of the Director of Finance in issuing payment. The purpose of the amendment is to modernize the existing framework while maintaining appropriate internal controls and City Council oversight.

Analysis

The proposed amendment to Section 11-131 updates the City's internal settlement approval thresholds to reflect current claim values and litigation practices. The existing limits were established nearly three

decades ago and, due to inflation and rising litigation costs, no longer align with the types of claims that are routinely resolved through compromise. As a result, matters that present relatively low fiscal risk to the City often require City Council action, which can delay resolution and increase legal and administrative costs.

The revised structure provides graduated approval authority based on claim value. Claims of \$25,000 or less may be approved by the City Attorney, claims between \$25,000 and \$50,000 may be approved jointly by the City Attorney and City Manager, and claims above \$50,000 continue to require City Council authorization. This approach preserves Council oversight for higher-impact matters while allowing routine claims to be resolved more efficiently.

The amendment also includes a simple notice requirement so that City Council remains informed of settlements approved under the delegated authority. This balances administrative efficiency with transparency, while maintaining existing fiscal controls through the Risk Management Fund and the required certifications by City leadership.

Financial Impact

Payment of claims authorized under this ordinance will be paid from previously appropriated funds in the City's Risk Management Fund that have been budgeted and authorized to cover liability, losses, or settlements.

Recommendation

Staff recommends the City Council adopt this amendment.

Recommended Motion (if Applicable)

Move to adopt an ordinance amending Section 11-131 of the Charlottesville City Code to revise the settlement authorization thresholds and to provide for notice to City Council of settlements approved under the delegated authority.

(Optional) I move that the City Council waive the requirement that this item receive a second reading at a subsequent reading, and that this item be given immediate effect upon adoption.

Attachments

1. Ordinance Amending Section 11-131

Ordinance Amending Section 11-131 of the Charlottesville City Code Regarding Compromise and Payment of Claims Against the City.

WHEREAS, Section 11-131 of the Charlottesville City Code establishes procedures and authorization levels for the compromise and payment of claims made against the City that are not covered by insurance or that fall within the City's insurance deductibles; and

WHEREAS, the current settlement authorization thresholds in Section 11-131 were adopted in 1997 and no longer reflect the typical cost of claims, litigation expenses, or prevailing settlement values; and

WHEREAS, delays in resolving routine claims can increase administrative costs, legal expenses, and potential liability to the City; and

WHEREAS, providing the City Attorney and City Manager with increased settlement authority for lower-dollar claims will promote timely resolution of disputes while preserving appropriate oversight; and

WHEREAS, reserving City Council approval for higher-dollar settlements ensures continued transparency and accountability for claims that present greater fiscal or policy impacts; and

WHEREAS, the Council desires to modernize the City's claims settlement process while maintaining prudent financial controls and risk management practices;

Now, therefore, be it ordained by the Council of the City of Charlottesville:

That Section 11-131 of the Charlottesville City Code is hereby amended and reenacted to read as follows:

Sec. 11-131. Compromise and payment of claims against city.

Claims for damages made against the city not covered by insurance or falling within the deductible limits of any coverage may be paid from the risk management fund with the following limits:

1. Claims of twenty-five thousand dollars (\$25,000.00) or less shall be paid by the director of finance from the risk management fund upon certification by the city attorney that the city is liable for payment or that the amount to be paid is recommended as a compromise of a claim involving disputed liability.
2. Claims of more than twenty-five thousand dollars (\$25,000.00) but not more than fifty thousand dollars (\$50,000.00) shall be paid by the director of finance from the risk management fund upon certification by both the city attorney and the city manager that

the city is liable for payment or that the amount to be paid is recommended as a compromise of a claim involving disputed liability.

3. Claims in excess of fifty thousand dollars (\$50,000.00) shall be paid from the risk management fund only after authorization from city council.
4. The City Attorney shall provide notice to City Council of any settlement approved under subsections (1) or (2) within a reasonable time after the settlement is finalized, in a manner consistent with applicable confidentiality requirements.

Policy Briefing Summary

City Council



Regarding:	Resolution Appropriating Existing Funds to the E-Bike Voucher Program (2nd reading)
Staff Contact(s):	Ben Chambers, Transportation Planning Manager, Kristel Riddervold, Director of the Office of Sustainability
Presenter:	Kristel Riddervold, Director of the Office of Sustainability, Thomas Robert Safranek
Date of Proposed Action:	February 17, 2026

Issue

The E-Bike Voucher Program awards vouchers to local residents using funds from Dockless Mobility Permit Program revenues from the Bike Infrastructure Capital Fund and already-appropriated Climate Action Funds. The attached Resolution would re-appropriate \$50,000 from each of those Funds into the E-Bike Voucher Program Fund for use in 2026.

Background / Rule

In 2025, City Council re-allocated funds from the Climate Action Fund and Dockless Mobility Permit revenues into a new fund for the E-Bike Voucher Pilot Program. Each funding source contributed \$75,000, funding the Pilot Program at \$150,000 for 2025. Of that funding, \$100,000 was programmed for use in the Voucher Lottery Pilot, which has successfully awarded 100, \$1,000 vouchers to City residents across four quarterly drawings. The remaining \$50,000 was intended to support a second Pilot that would be focused on income-qualifying residents, but City Staff found that, rather than developing a second program, refinements to the Lottery Pilot would provide additional benefits to qualified residents and be far simpler and more effective to administer.

Analysis

The attached Resolution would again re-allocate funds from Dockless Mobility Permit revenues in the Bike Infrastructure Capital Fund and from the Climate Action Fund to fund quarterly drawings, with \$50,000 contributed from each source. Along with the remaining \$50,000 from the 2025 E-Bike Funds, this would fund the Program for calendar year 2026 at \$150,000. Along with a higher quarterly average for the amount funding (\$25,000 per quarter in 2025, versus \$37,500 in 2026), the number of vouchers available will also increase to 36 per quarter. Voucher winners will also be eligible to receive free helmets and quality bike locks. To direct these vouchers more consistently with need, the Voucher Lottery will have 12 vouchers at three different tiers:

1. \$500 vouchers, available to all City residents 18 years of age or older;
2. \$1,000 vouchers, available to all City residents 18 years of age or older earning $\leq 80\%$ of Area Median Income (AMI); and
3. \$1,500 vouchers, available to all City residents 18 years of age or older that are enrolled in SNAP, WIC, TANF, or Medicaid.

Sign-ups for the Voucher Lottery are open as of January 1st at cvilleebike.com and residents can upload documentation of income or qualifying programs through the sign-up page.

Financial Impact

The attached Resolution will not create any additional financial impact for the City, as it is re-appropriating existing funds. The Voucher Program would continue to operate using existing funds in the E-Bike Program Fund for the first quarter of calendar year 2026.

Recommendation

City Staff recommends City Council adopt the attached Resolution appropriating existing funds to the E-Bike Voucher Program to continue the successes of the Program in making e-bikes a financially-accessible mobility option for City residents in 2026.

Recommended Motion (if Applicable)

"I make a Motion to adopt the attached Resolution appropriating existing funds to the E-Bike Voucher Program."

Attachments

1. E-Bike Voucher Program Resolution
2. E-bike Council Presentation 260202 (2)

RESOLUTION
Appropriating funds to a new fund for electric bicycle programs
\$100,000

WHEREAS the expanded use of electric bicycles in the community provides a more sustainable transportation option, which meets the City’s transportation and climate action goals;

WHEREAS Council has appropriated funding for sustainability goals in the Climate Action Fund and for transportation goals associated with biking in the Bicycle Infrastructure capital fund;

WHEREAS revenues from the dockless mobility permit program are used as part of the Bicycle Infrastructure capital fund and are dedicated to expanding the use of bicycles in Charlottesville;

AND WHEREAS the City has pilot projects associated with electric bicycles that are coordinated between Neighborhood Development Services and the Office of Sustainability;

BE IT RESOLVED by the Council of the City of Charlottesville, Virginia, that the sum of \$150,000 is hereby appropriated as follows:

Transfer From:

\$50,000	Fund: 426	I/O: 1000028	G/L Account: 599999
\$50,000	Fund: 426	WBS: CP-083	G/L Account: 599999

Transfer To

\$100,000	Fund: 426	WBS: P-01121	G/L Account: 599999
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Charlottesville



E-bike Voucher Program Update

February 2, 2026

Summary of 2025



Program Metrics:

- 4,089 program applications
- 112 vouchers granted
- 91 E-bikes purchased

Community Members Served:

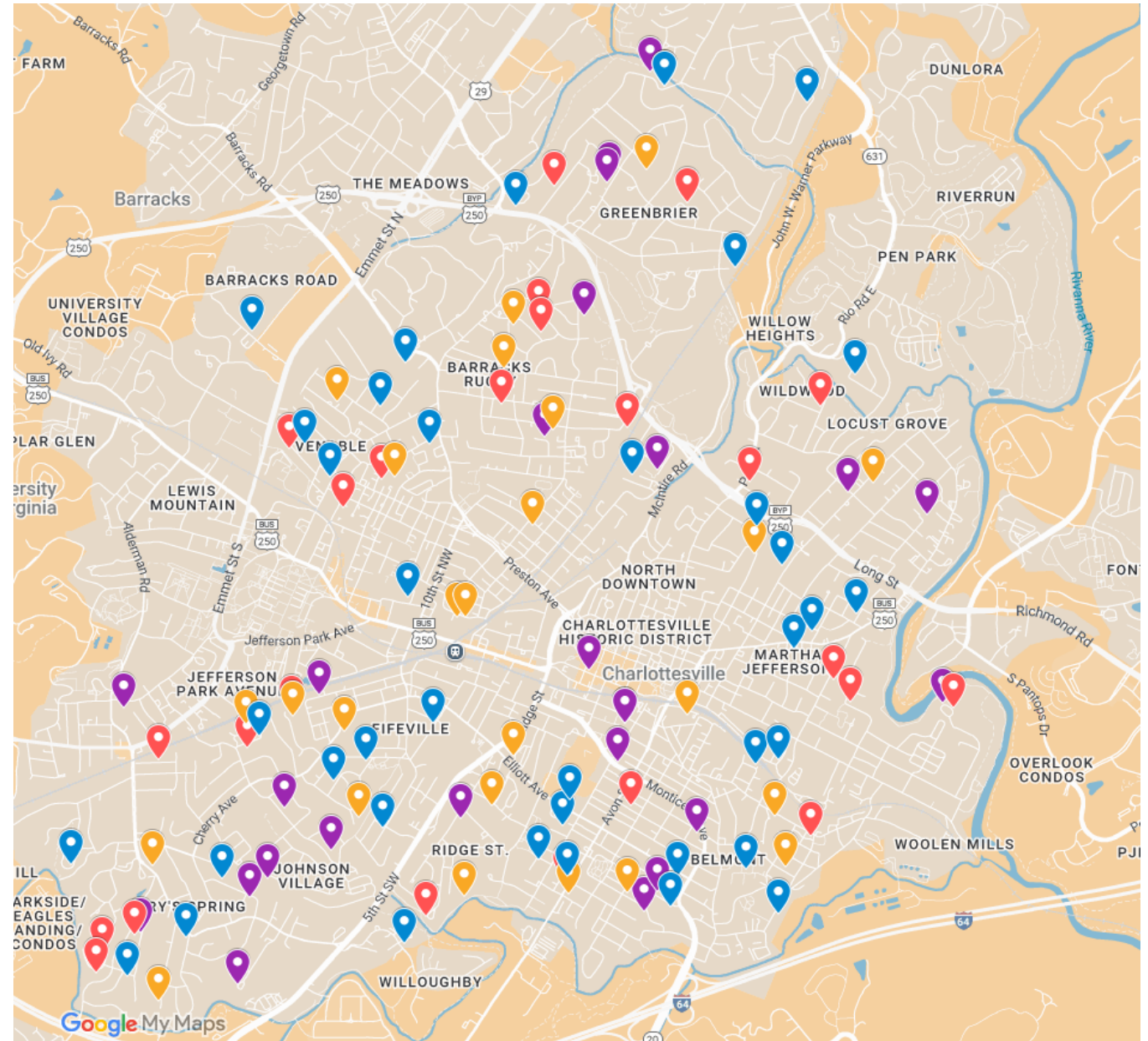
- 4 – new to biking
- 48 – some experience
- 34 – very experienced



Success Stories

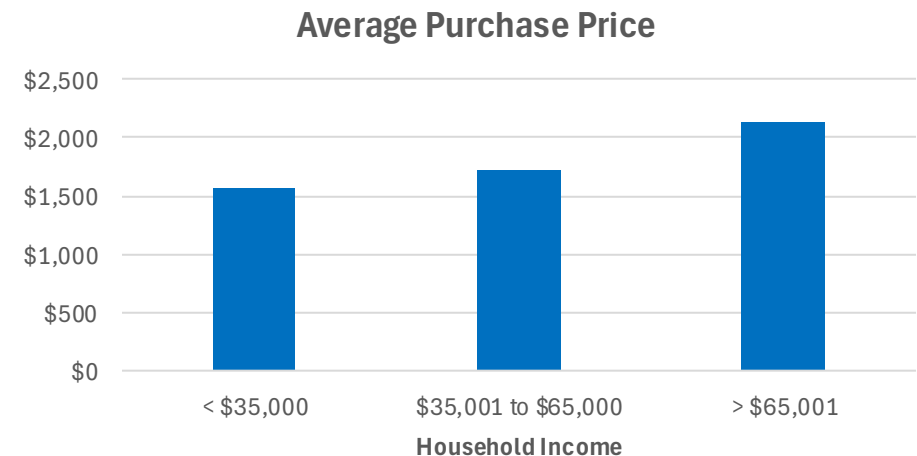
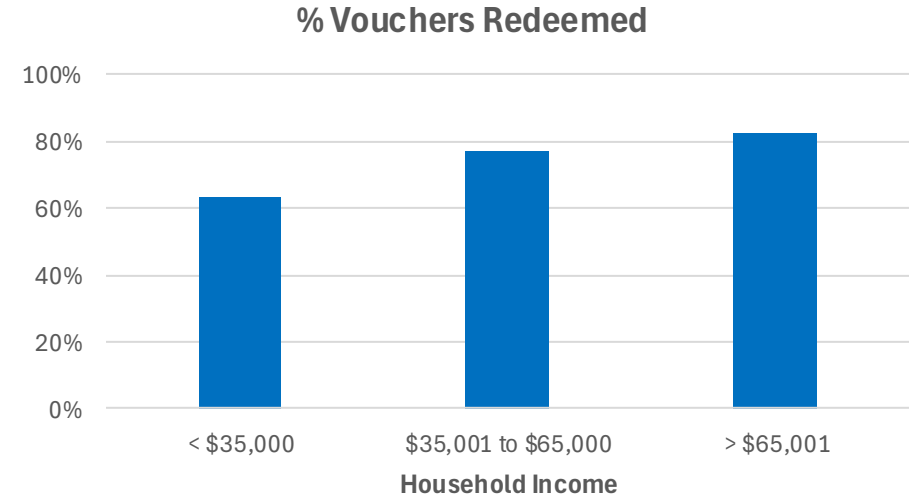
- The voucher recipients have been evenly distributed across the City
- 4 recipients live in public housing
- 5 are schoolteachers
- 34 women are new e-bike owners
- At least 5 are carless and several others have downsized

This program has increased our credibility and significantly helped to promote our other biking and walking programs/projects.



Equity in the E-bike Voucher Program

- Initial program goals sought to ensure the program benefits residents at all household income levels
 - 2025 Voucher program entailed flat voucher amount, no adjustments for income levels
 - Voucher redemption rates and purchase amounts were lower in lower income brackets
 - Staff heard anecdotally from several lower-income recipients that voucher amount was inadequate
- 2026 program includes new, tiered approach



Program Changes for 2026

- 3 Voucher Tiers
 - \$500, open to all income levels
 - \$1000, < 80% AMI
 - \$1500, recipients of government assistance (SNAP, WIC, TANF, Medicaid)
- All voucher recipients offered free helmet and lock
- Voucher program moved to Connect Charlottesville platform
- Planning to issue 144 vouchers (compared to 100 in 2025)



Expectations and Goals for 2026



- By making these changes we expect to better support community members that need transportation help the most while also getting more folks out of cars and onto bikes.
- While many strategies are needed to make Charlottesville a **Bike Friendly Community**, this program will help get us there.
- E-bikes can be transformative for the individual but also for the community at large by reducing congestion and greenhouse gas emissions.



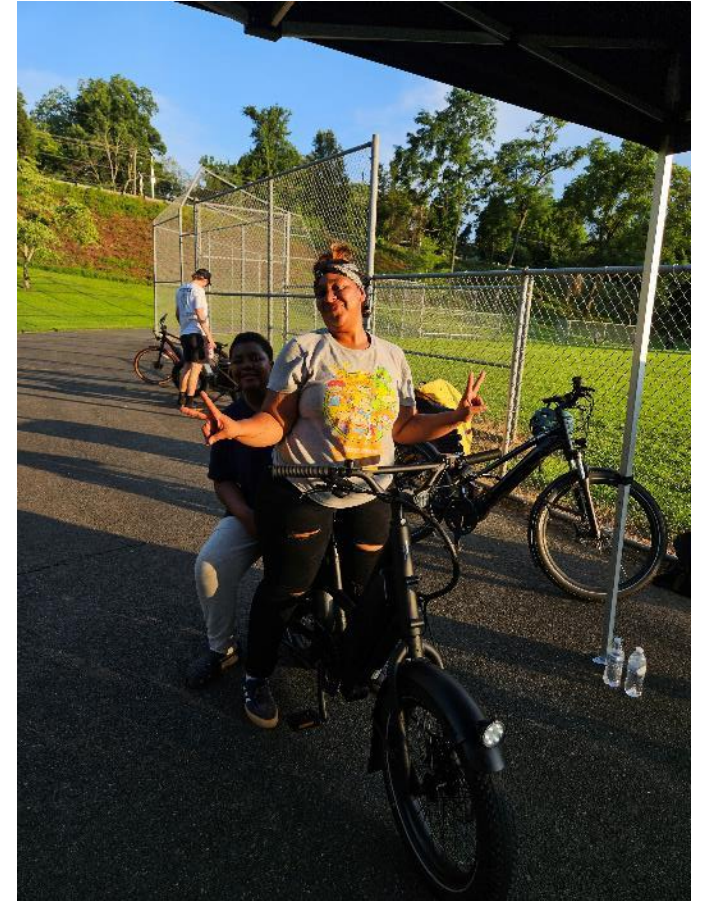
Recommendations

Last year City Council approved \$150,000 from the two funding sources below for this pilot program.

With \$50,000 currently remaining in the E-bike Voucher Pilot Fund, staff recommends that Council appropriate \$100,000 from existing funds to reset the available amount, with

- \$50,000 Climate Action Initiative Fund - this program is to help the City reduce its greenhouse gas emissions.
- \$50,000 Dockless Mobility Fund – these funds come from Veo's permit fees

This re-appropriation will allow for the voucher pilot to continue through the end of 2026 with more vouchers and more equitable opportunities for access to e-bikes



www.CvilleEbike.com

Charlottesville



Policy Briefing Summary

City Council



Regarding:	Resolution Appropriating \$198,910 in Additional Virginia Department of Transportation ("VDOT") Funds for Construction Engineering and Inspection ("CEI") on the Project Bundle of 10th and Grady UPC 113916, Monticello 2nd UPC 113917, and Preston Harris UPC 113918 (1 of 2 readings)
Staff Contact(s):	Michael Goddard, Deputy Director, Colin Porter, Project Manager, bruce white
Presenter:	Michael Goddard, Deputy Director
Date of Proposed Action:	February 17, 2026

Issue

Additional Funds are needed to cover CEI on the Project

Background / Rule

After receiving the bids for IFB 26-33, Multiple Intersections Improvements, it became clear there was inadequate funding for the CEI portion of the Project. This is a bundle of three (3) projects: 10th and Grady UPC 113916, Monticello 2nd UPC 113917, and Preston Harris UPC 113918. The existing Project Budget was enough to cover construction, but was short to adequately fund CEI, which is third-party oversight of the construction contractor to help manage the Project on the owner's behalf, as well as help with Inspections and Materials Testing. Before accepting the low bid, the City of Charlottesville, Virginia ("City"), reached out to VDOT to see if there was additional funding it could provide to cover the shortfall of CEI funds, which VDOT was able to secure.

Analysis

Breakdown of the additional \$198,910 in funding secured by VDOT split between 10th and Grady UPC 113916, Monticello 2nd UPC 113917, and Preston Harris UPC 113918:

10th and Grady Intersection UPC 113916:

- 2023 Appendix A Rev 1 - \$827,235
- 2026 Appendix A Rev 2- \$923,403
- Additional \$96,168 from VDOT for UPC 113916.

Monticello 2nd Intersection UPC 113917:

- 2025 Appendix A Rev 2 - \$1,304,308
- 2026 Appendix A Rev 3 - \$1,388,770
- Additional \$84,462 from VDOT for UPC 113917.

Preston Harris Intersection UPC 113918:

- 2023 Appendix A Rev 2 - \$656,526
- 2026 Appendix A Rev 3 - \$672,806
- Additional \$16,280 from VDOT for UPC 113918.

Financial Impact

No additional City funds are required for the Project. The \$198,910 in additional funding being appropriated is all funding, which will be covered by VDOT for the Project bundle.

Recommendation

City Staff recommends City Council adopt the attached Resolution appropriating additional VDOT funds for UPC 113916, UPC 113917, and UPC 113918.

Recommended Motion (if Applicable)

"I move approval of the Resolution appropriating additional VDOT funds for UPC 113916, UPC 113917, and UPC 113918."

Attachments

1. CharlottesvilleUPC113916AppAREv2
2. CharlottesvilleUPC113917AppAREv3
3. CharlottesvilleUPC113918AppAREv3
4. VDOT Resolution - February 2026

Appendix A Revision 2

Date: 11/24/2025

Project Number: 0250-104-342 UPC: 113916 CFDA # 20.205 Locality: City of Charlottesville

Project Location ZIP+4: 22903-4423	Locality UEI #: C6VFXLAFKEY1	Locality Address (incl ZIP+4): 610 East Market Street Charlottesville, VA 22902-5304
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Project Narrative	
Work Description:	10TH & GRADY AVENUE BIKE PED
From:	0.04 EAST OF ROUTE 3423
To:	0.06 WEST OF ROUTE 3423
Locality Project Manager Contact info: Najeeb Behnam 434-459-9763 behnamn@charlottesville.gov	
Department Project Coordinator Contact Info: Gregg Allen 434-426-5575 gregg.allen@vdot.virginia.gov	

Project Estimates				
	Preliminary Engineering	Right of Way and Utilities	Construction	Total Estimated Cost
Estimated Locality Project Expenses	\$60,150	\$0	\$823,280	\$883,430
Estimated VDOT Project Expenses	\$9,973	\$0	\$30,000	\$39,973
Estimated Total Project Costs	\$70,123	\$0	\$853,280	\$923,403

Project Cost and Reimbursement						
Phase	Estimated Project Costs	Funds type (Choose from drop down box)	Local % Participation for Funds Type	Local Share Amount	Maximum Reimbursement (Estimated Cost - Local Share)	Estimated Reimbursement to Locality (Max. Reimbursement - Est. VDOT Expenses)
Preliminary Engineering	\$70,123	VHSIP	0%	\$0	\$70,123	
Total PE	\$70,123			\$0	\$70,123	\$60,150
Construction	\$853,280	VHSIP	0%	\$0	\$853,280	
			0%	\$0	\$0	
Total CN	\$853,280			\$0	\$853,280	\$823,280
Total Estimated Cost	\$923,403			\$0	\$923,403	\$883,430

Total Maximum Reimbursement by VDOT to Locality (Less Local Share)	\$923,403
Estimated Total Reimbursement by VDOT to Locality (Less Local Share and VDOT Expenses)	\$883,430

Project Financing						
						Aggregate Allocations
VHSIP						
\$923,403						\$923,403

Program and Project Specific Funding Requirements	
<ul style="list-style-type: none">• This Project shall be administered in accordance with VDOT's Locally Administered Projects Manual and Urban Manual.• This is a limited funds project. The LOCALITY shall be responsible for any additional funding in excess of \$923,403• Reimbursement for eligible expenditures shall not exceed funds allocated each year by the Commonwealth Transportation Board in the Six Year Improvement Program.• The LOCALITY will continue to operate and maintain the facility as constructed. Should the design features of the Project be altered by the LOCALITY subsequent to Project completion without approval of the DEPARTMENT, the LOCALITY inherently agrees, by execution of this agreement, to make restitution, either physically or monetarily, as required by the DEPARTMENT.• This Project is funded with federal-aid Highway Safety Improvement Program (HSIP) funds. These funds must be obligated within 12 months of allocation and expended within 36 months of the obligation.• This Appendix A supersedes all previous versions signed by VDOT and the LOCALITY.	

This attachment is certified and made an official attachment to this document by the parties to this agreement.

Samuel Sanders, Jr. Digitally signed by Samuel Sanders, Jr.
Date: 2025.12.28 23:47:34 -05'00'

Authorized Locality Official Date

Authorized VDOT Official Date

Appendix A Revision 2

Date: 11/24/2025

Project Number: U000-104-343 UPC: 113917 CFDA # 20.205 Locality: City of Charlottesville

Project Location ZIP+4: 22902-5698	Locality UEI #: C6VFXLAFKEY1	Locality Address (incl ZIP+4): 610 East Market Street Charlottesville, VA 22902-5304
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Project Narrative	
Work Description:	PEDESTRIAN IMPROVEMENTS AT MONTICELLO AVE/2ND - Construct curb extensions at intersection to increase visibility of pedestrians and reducing the crossing distance. Construction bus stop in way to encourage passengers entering and existing bus to cross behind bus to allow the bus to safely enter travel stream when break in traffic.
From:	0.028 mi west of 2nd St SE
To:	0.022 mi east of 2nd St SE
Locality Project Manager Contact info: Colin Porter 434-970-3398 porterc@charlottesville.gov	
Department Project Coordinator Contact Info: Gregg Allen 434-426-5575 gregg.allen@vdot.virginia.gov	

Project Estimates				
	Preliminary Engineering	Right of Way and Utilities	Construction	Total Estimated Cost
Estimated Locality Project Expenses	\$91,962	\$0	\$1,205,943	\$1,297,905
Estimated VDOT Project Expenses	\$9,591	\$1,274	\$80,000	\$90,865
Estimated Total Project Costs	\$101,553	\$1,274	\$1,285,943	\$1,388,770

Project Cost and Reimbursement						
Phase	Estimated Project Costs	Funds type (Choose from drop down box)	Local % Participation for Funds Type	Local Share Amount	Maximum Reimbursement (Estimated Cost - Local Share)	Estimated Reimbursement to Locality (Max. Reimbursement - Est. VDOT Expenses)
Preliminary Engineering	\$101,553	VHSIP	0%	\$0	\$101,553	
Total PE	\$101,553			\$0	\$101,553	\$91,962
Right of Way & Utilities	\$1,274	VHSIP	0%	\$0	\$1,274	
Total RW	\$1,274			\$0	\$1,274	\$0
Construction	\$1,285,943	VHSIP	0%	\$0	\$1,285,943	
Total CN	\$1,285,943			\$0	\$1,285,943	\$1,205,943
Total Estimated Cost	\$1,388,770			\$0	\$1,388,770	\$1,297,905

Total Maximum Reimbursement by VDOT to Locality (Less Local Share)	\$1,388,770
Estimated Total Reimbursement by VDOT to Locality (Less Local Share and VDOT Expenses)	\$1,297,905

Project Financing						
VHSIP						Aggregate Allocations
\$1,388,770						\$1,388,770

Program and Project Specific Funding Requirements	
<ul style="list-style-type: none">This Project shall be administered in accordance with VDOT's Locally Administered Projects Manual and Urban Manual.This is a limited funds project. The LOCALITY shall be responsible for any additional funding in excess of \$1,388,770Reimbursement for eligible expenditures shall not exceed funds allocated each year by the Commonwealth Transportation Board in the Six Year Improvement Program.The LOCALITY will continue to operate and maintain the facility as constructed. Should the design features of the Project be altered by the LOCALITY subsequent to Project completion without approval of the DEPARTMENT, the LOCALITY inherently agrees, by execution of this agreement, to make restitution, either physically or monetarily, as required by the DEPARTMENT.This Project is funded with federal-aid Highway Safety Improvement Program (HSIP) funds. These funds must be obligated within 12 months of allocation and expended within 36 months of the obligation.This Appendix A supersedes all previous versions signed by VDOT and the LOCALITY.	

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Samuel Sanders, Jr. Digitally signed by Samuel Sanders, Jr.
Date: 2025.12.28 23:48:21 -05'00'

Authorized Locality Official Date

Authorized VDOT Official Date

Project Location ZIP+4: 22902-5698	Locality UEI #: C6VFXLAFKEY1	Locality Address (incl ZIP+4): 610 East Market Street Charlottesville, VA 22902-5304
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Project Narrative	
Work Description:	PEDESTRIAN IMPROVEMENTS AT PRESTON AVE/HARRIS ST
From:	0.02 MI EAST OF HARRIS STREET
To:	0.02MI WEST OF HARRIS STREET
Locality Project Manager Contact info:	Colin Porter 434-970-3398 porterc@charlottesville.gov
Department Project Coordinator Contact Info:	Gregg Allen 434-426-5575 gregg.allen@vdot.virginia.gov

Project Estimates				
	Preliminary Engineering	Right of Way and Utilities	Construction	Total Estimated Cost
Estimated Locality Project Expenses	\$123,198	\$7,547	\$500,332	\$631,077
Estimated VDOT Project Expenses	\$11,729	\$0	\$30,000	\$41,729
Estimated Total Project Costs	\$134,927	\$7,547	\$530,332	\$672,806

Project Cost and Reimbursement						
Phase	Estimated Project Costs	Funds type <i>(Choose from drop down box)</i>	Local % Participation for Funds Type	Local Share Amount	Maximum Reimbursement (Estimated Cost - Local Share)	Estimated Reimbursement to Locality (Max. Reimbursement - Est. VDOT Expenses)
Preliminary Engineering	\$134,927	VHSIP	0%	\$0	\$134,927	
Total PE	\$134,927			\$0	\$134,927	\$123,198
Right of Way & Utilities	\$7,547	VHSIP	0%	\$0	\$7,547	
Total RW	\$7,547			\$0	\$7,547	\$7,547
Construction	\$530,332	VHSIP	0%	\$0	\$530,332	
Total CN	\$530,332			\$0	\$530,332	\$500,332
Total Estimated Cost	\$672,806			\$0	\$672,806	\$631,077

Total Maximum Reimbursement by VDOT to Locality (Less Local Share)	\$672,806
Estimated Total Reimbursement by VDOT to Locality (Less Local Share and VDOT Expenses)	\$631,077

Project Financing					
VHSIP					Aggregate Allocations
\$672,806					\$672,806

Program and Project Specific Funding Requirements
<ul style="list-style-type: none">• This Project shall be administered in accordance with VDOT's Locally Administered Projects Manual and Urban Manual.• This is a limited funds project. The LOCALITY shall be responsible for any additional funding in excess of \$672,806• Reimbursement for eligible expenditures shall not exceed funds allocated each year by the Commonwealth Transportation Board in the Six Year Improvement Program.• The LOCALITY will continue to operate and maintain the facility as constructed. Should the design features of the Project be altered by the LOCALITY subsequent to Project completion without approval of the DEPARTMENT, the LOCALITY inherently agrees, by execution of this agreement, to make restitution, either physically or monetarily, as required by the DEPARTMENT.• This Project is funded with federal-aid Highway Safety Improvement Program (HSIP) funds. These funds must be obligated within 12 months of allocation and expended within 36 months of the obligation.• This Appendix A supersedes all previous versions signed by VDOT and the LOCALITY.

This attachment is certified and made an official attachment to this document by the parties to this agreement.

Samuel Sanders, Jr.

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Date: 2025.12.28 23:48:59 -05'00'

Authorized Locality Official

Date

Authorized VDOT Official

Date



RESOLUTION #R-__-__

**APPROPRIATING \$198,910 FROM THE VIRGINIA DEPARTMENT OF
TRANSPORTATION (“VDOT”) CITY OF CHARLOTTESVILLE, VIRGINIA’S
 (“CITY”) PROJECT PORTFOLIO**

WHEREAS, the City has been awarded state and federal funds through VDOT to locally administer various state funded transportation projects; and

WHEREAS the Council of the City of Charlottesville, Virginia (“City Council”), previously authorized the City Manager to revise and reallocate funding within the City’s VDOT portfolio.

NOW, THEREFORE BE IT RESOLVED by City Council that the sum of \$198,910 is hereby appropriated as follows:

Project: 10th and Grady Intersection

UPC #: 113916

Revenues

\$96,168 Fund: 426 WBS Element: P-01092 GL Code: 430120 (HSIP)

Expenditure

\$96,168 Fund: 426 WBS Element: P-01092 GL Code: 599999

Project: Monticello 2nd Intersection

UPC #: 113917

Revenues

\$84,462 Fund: 426 WBS Element: P-00818 GL Code: 430120 (HSIP)

Expenditure

\$84,462 Fund: 426 WBS Element: P-00818 GL Code: 599999

Project: Pedestrian Improvements at Preston Ave/Harris Street

UPC #: 113918

Revenues

\$16,280 Fund: 426 WBS Element: P-01069 GL Code: 430120 (HSIP)

Expenditure

\$16,280 Fund: 426 WBS Element: P-01069 GL Code: 599999



Date Adopted: _____

Certified: _____
Clerk of Council



City Manager's Report

City Departments

2-17-2026

City Manager – Sam Sanders (he/him)

- February 4:
 - The City Manager's Office (CMO) celebrated the contributions of Ashley Reynolds Marshall for her service to the City of Charlottesville for almost five years. Members of the teams she supported and our LEADTeam joined in two moments of appreciation where she was offered many thanks for her work. Ashley takes on the role of Chief of Community Services for the City of Savannah, GA on February 17.
- February 5:
 - Participated in the City's annual recognition event where we celebrate the service anniversaries of employees who have worked for the City for 10 years or more. We will have a separate event for five-year anniversaries next month. I again offer my appreciation and congratulations to all employees serving the City and thank those who are reaching those five-year milestones as well.
 - Attended the first cross-departmental Capital Improvement Projects (CIP) construction team meeting – this is the delivery of a long-awaited effort to focus on cross-department collaboration in the execution of the work funded in the CIP. I look forward to delivering projects on time and on budget and this effort will support that improvement.
- February 6:
 - Held the first staff meeting of the fully reorganized City Manager's Office. It's great to see the vision come together and to see the capacity to deliver for City Council and the community at the level desired and expected.
- February 8:
 - Spoke to members of the congregation at Beth Israel about City priorities, including transit investments and neighborhood safety.
- February 10:
 - Provided a welcome to the participants in the CPD Hispanic Community Police Academy, sharing perspective on the role of the City Manager and expressing the City's support for all residents feeling safe and protected in the Charlottesville community.
- February 11:
 - Attended the ECC Management Board meeting.

Assistant City Manager (ACM) – Evan Pilachowski (he/him)

- ACM Pilachowski met with community leaders throughout January and February 2026 to familiarize himself with the community and better understand the needs of its neighborhoods and citizen groups. He looks forward to continued collaboration with these stakeholders.

- Notable meetings included introductory discussions with Lisa Wittenborn of the Rivanna Conservation Alliance; Anne Coates and Meghan Sobbott of the Thomas Jefferson Soil & Water Conservation District; Peter Krebs of The Piedmont Environmental Council; and Bill Mawyer and the leadership team of the Rivanna Water & Sewer Authority and Rivanna Solid Waste Authority. Councilor Fleisher and Councilor Snook also attended the latter meeting. These conversations provided valuable insight into each organization's work with the City, current initiatives and projects, and helped establish a foundation for future collaboration.

Assistant to the City Manager – Steve King (he/him)

- On February 5, we had the inaugural meeting of the cross-department Capital Improvements Project (CIP) team. These meetings will provide opportunities for all departments that touch the implementation of our CIP to collaborate.

Utilities – Director Lauren Hildebrand (she/her)

- Utilities Annual Customer Satisfaction Survey
 - The Department of Utilities' Annual Customer Satisfaction Survey is now open. Utilities values customer feedback and welcomes the opportunity to gather information that helps us build on our range of services, programs, and initiatives. Customers can access the survey through Utilities' February electronic newsletter at www.charlottesville.gov/utilities, or by going to <https://www.surveymonkey.com/r/cvilleutilities2026>. Paper copies of the survey are available upon request by contacting Utilities Outreach at (434) 970-3686. All responses will be kept completely confidential. Thank you in advance for your participation.
- FOGbuster Program
 - The Charlottesville Department of Utilities is excited to launch the FOGbuster Program. This reimagination of the Fats, Oils, and Grease (FOG) Program was created to energize the proper disposal of FOG within the community and encourages everyone to become a FOGbuster and help take down the odious FOG Monster and the Slime Syndicate of Filthy Fats, Icky Oils, and Grimy Grease. FOG produced from cooking, as well as thick or creamy food products, should never be disposed of in the sink. The buildup of FOG can cause blockages in household plumbing and wastewater infrastructure that can lead to messy, costly, and potentially hazardous overflows. The FOGbuster program will help Utilities customers properly dispose of their FOG and tackle the FOG Monster like a pro. For more information on FOG, our free FOG kits, and to become a FOGbuster by watching our new FOGbuster video, visit www.charlottesville.gov/fog.

- Charlottesville Utilities Storm Drain Art Contest Voting
 - Voting for the Charlottesville Utilities Storm Drain Art Contest kicks off February 16. The Department of Utilities has assembled a panel of judges to select a winner from the Youth Category and a winner from the Open Category, with the top entries in contention to become the Fan Favorite winner via online voting by the community occurring between February 16 and March 9. The designs are a creative interpretation of the theme “Only Rain Down the Drain”, intended to engage, educate, and motivate the community to prevent pollutants from entering our waterways through storm drains. The three winners will paint their artwork on one of three storm drain inlets, as well as receive a \$500 Visa gift card each. To vote for your Fan Favorite design, go to www.charlottesville.gov/stormwater.

Parks & Recreation – Director Riaan Anthony (he/him)

- Registration
 - Summer Camp Registration is now open for City residents. For program details and online registration, visit [Splash – Parks and Recreation](#).
 - New PGA Junior Golf Camps are open for registration at Meadowcreek Golf Course. Additional information is available on the [Meadowcreek Golf Course website](#).
 - Spring Program Registration will open on Monday, February 23 at 10:00 AM. A full list of programs and online registration can be found on [Splash – Parks and Recreation](#).
- Landscape Services
 - Annual tree maintenance on the Downtown Mall was completed as scheduled. One tree was removed, and several others received routine maintenance. The Urban Forester coordinated closely with Neighborhood Development Services, Public Works, and the contractor to complete the work efficiently while minimizing disruption to businesses and Mall patrons.
- Trails & Greenways
 - Construction of the new ADA- and bicycle-accessible ramp connecting West Madison Avenue through lower Washington Park to East Madison Avenue is complete. This project supports a Safe Route to School for Trailblazer Elementary students and improves ADA and bicycle access to the lower park area. A ribbon-cutting event will be scheduled soon.
- Programs

- General Summer Camp and Ultimate Adventure Camp registration for City residents opened on Monday, February 2 at 10:00 AM.
 - Registration for non-City residents opened today, February 17, at 10:00 AM.
- Special Events
 - The Enchanted Garden Winter Ball was a sold-out success. Guests enjoyed a live DJ, refreshments, and a festive winter-themed experience.
 - The Father/Daughter Dance from this past weekend was also a success. Local dads, uncles, and grandpas enjoyed good food and good music.
- The department is partnering with UVA students as part of an applied course focused on vehicle and pedestrian circulation systems in public parks, using Riverview Park as a case study. Students will examine how circulation patterns are shaped by competing priorities, including environmental stewardship, user experience, and operational efficiency. The work will focus on traffic movement, access control, parking design, emergency vehicle routing, and multimodal transportation integration.
 - As part of this effort, students will evaluate access management strategies such as improving circulation efficiency, identifying secondary exits, and separating flows between different user groups. The outcome will be a concept-level Riverview Park Access Management Plan that supports safety, operational needs, and an improved visitor experience.



CITY OF CHARLOTTESVILLE

To be a place where everyone thrives

To: City Council

From: Sam Sanders, City Manager
Krisy Hammill, Director, Budget and Grants Management

Date: February 17, 2026

Topic: FY 2026 Q2 Financial Review

A review of the City's Q2 financial performance for FY 2026 has been completed and some highlights have been compiled and noted within this memorandum.

General Fund

Expenditure

As of December 30, 2025, 57.76% or \$155,358,391 of the total General Fund budget has been spent or encumbered. Salary/Benefit Expenses account for \$39.6M and other expenses totaled \$115.8M.

Total General Fund spending at 57.8% through Quarter 2 indicates that spending is tracking almost exactly in line with the prior year when 58.02% of the budget had been spent at the same point in the fiscal year. This suggests that if spending continues to follow the FY 2025 trajectory, year-end total expenditures should fall within expected ranges, assuming no major policy, operational, or timing changes in the second half of the year.

Revenues

As of December 31, 2025, 45.52% or \$120,836,335 of the total General Fund Budget has been collected. Real Estate and Personal Property tax payments for the second half of 2025 were due on December 5th and revised estimates for real estate and personal property taxes are based on the 2026 general reassessment, which indicates residential values increased 4.74% and commercial values increased 2.20% in 2026. Overall, total assessed values are up 3.72% over 2025.

Current revised projections indicate that total revenues are tracking slightly over budget, by \$3.8M or 1.44%. Despite seeing several months of declining sales, lodging and meals tax revenues, the 2nd quarter performance for those revenues has rebounded and has resulted in revised projections that now anticipate collections above the amounts originally adopted for the FY26 budget.

FY 2026 Revenue Revised Projections

<u>Local Taxes</u>	<u>FY 2026 Budget</u>	<u>FY 2026 Revised*</u>	<u>Change</u>
Real Estate Tax	\$ 116,989,377	\$ 116,711,274	\$ (278,103)
Personal Property Tax	15,000,000	15,100,000	100,000
Public Service Tax	1,961,548	2,048,263	86,715
Utility Taxes	4,800,000	5,000,000	200,000
Tax on Wills & Deeds	600,000	850,000	250,000
Sales & Use Tax	14,500,000	15,300,000	800,000
Meals Tax	18,200,000	19,000,000	800,000
Lodging Tax	9,100,000	9,400,000	300,000
Tax on Bank Stock	1,171,353	1,264,385	93,032
Vehicle Daily Rental	140,000	135,000	(5,000)
Plastic Bag Tax	75,000	67,000	(8,000)
 <u>Revenue from State Agencies</u>			
State Highway Assistance	\$ 5,742,410	\$ 5,810,627	68,217
Reimbursement/Constitutional Offices	2,457,327	2,485,704	28,377
State Aid for Police Protection	2,734,706	2,681,144	(53,562)
 <u>Miscellaneous Revenues</u>			
Interest Income	\$ 2,700,000	\$ 3,800,000	1,100,000
Refund of Prior Year Expenses	\$ 50,000	\$ 150,000	100,000
 <u>Designated Revenues</u>			
Meals Tax Designated for the Debt Service Fund	\$ 3,000,000	\$ 3,200,000	\$ 200,000

Total Revenue Budget Surplus	\$ 3,781,676
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**Projected as of January 31, 2026*

Surplus/Deficit as a % of Total Adopted Budget	1.44%
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Capital (CIP) Fund

The City's current capital budget totals \$262.1M with \$184.9M unspent budget which includes funds approved with FY26 budget and unspent funds carried over from prior years. As of the end of Q2, 29.95% or \$77.2M was spent or encumbered for various projects.

Individual project budget details can be reviewed using the Budget Explorer Tool described below.

Budget Explorer Tool

Expenditure details can be viewed using the [Budget Explorer Tool](https://www.charlottesville.gov/budget) which can be found on the City's Budget webpage at www.charlottesville.gov/budget. These quarterly tabs are

automatically updated at the end of each quarter and are available for public viewing. The 2nd quarter visualization contains financial information through December 31, 2025. The tool gives you the ability to review the results of other City funds in addition to the General Fund as well as the ability to drill down to the individual department expenditure detail. The information presented in the visualization comes directly from SAP, the City's financial system, and represents dollars that have been received and/or paid out as of the chosen date.

Reminder

A newly expanded CIP Quarterly Report has been added to the Budget Explorer Tool. The CIP Quarterly Report will highlight selected projects by providing more detail in depth beyond just the financials. Using this dashboard, you will be able to locate the project on a map and access detailed project summary and description information including the objectives and status of the project.

Policy Briefing Summary

City Council



Regarding:	Public Hearing and Resolution of Appropriation to Amend the FY26 Budget-\$10,001,875.49 (1 of 2 readings)
Staff Contact(s):	Samuel Sanders, Jr., City Manager, Chris Cullinan, Director of Finance
Presenter:	Chris Cullinan, Director of Finance
Date of Proposed Action:	February 17, 2026

Issue

The audit for Fiscal Year 2025 (FY25) has been completed. To close the City's financial records for the year, several year-end adjustments to various accounts require City Council action.

Background / Rule

Several year-end adjustments are required to carry over unspent funds from the last fiscal year (FY25) to the current fiscal year (FY26). These carry-overs are the result of either previous City Council policy direction or requirements associated with the funds.

Analysis

The fund balance for the General Fund totaled \$59.0 million at the end of FY25. When restricted uses of fund balance are netted out (including the City's 17% fund balance policy), the General Fund finished with approximately \$8.5M of unrestricted (surplus) funds in fund balance. This amount represents 3.4% of the total amount of the FY25 Adopted Budget.

Overall, General Fund revenues performed approximately \$7.5M above budget. Top performing revenues compared to budget include (amounts shown above budget):

- Interest Income = \$1.9M.
- Building and Plumbing Permits = \$1.9M.
- Real Estate Taxes = \$1.8M.
- Gains on Investments = \$1.3M.
- Personal Property Taxes = \$796K.
- Business Licenses = \$767K.

Generally, City departments spent less than budgeted. Total General Fund expenditures were \$3.5M below budget (1.3% below budget).

Expenditures on salaries and benefits were approximately \$3.0M below budget. In the past several years, salaries and benefits expenditures were much more significantly below budget as a result of high vacancy rates. The FY25 results illustrate the City's increased efforts to recruit and retain employees as well as a more refined approach to budgeting for vacancies.

Salaries and benefits results also reflect the use of approximately \$900k of ARPA funds to offset eligible public safety salary expenses (i.e. there are approximately \$900k of salary and benefit costs not included in the General Fund expenditures). City Council approved the use of these funds in December 2024 in order to meet the US Treasury deadline of 12/31/2024 to obligate all ARPA funds.

Following several years of large surpluses, the City Manager and Budget Office emphasized the need

for departments to more accurately project their financial needs and timely execution of initiatives within the fiscal year. Those efforts are reflected in the FY25 actual expenditures being closer to budget.

Financial Impact

Funds from year-end surpluses are considered to be a one-time revenue and should be used for one-time uses or projects. The recommended uses are either one-time in nature or are restricted by requirements associated with the funds.

Recommendation

The FY25 year-end appropriation totals approximately \$10.0M, grouped into four categories:

General Fund \$8,502,177.67
Facilities Repair Fund \$24,490.54
Grants Fund \$10,442.28
Schools Gainsharing \$1,464,765.00
TOTAL \$10,001,875.49

Details for each of these categories are listed below.

1. General Fund = \$8,502,177.67

Per the City's Long-term Financial Management Policies, it is recommended that all surplus funds be transferred to the Capital Improvements Contingency. Expenditures out of the CIP Contingency account will be approved by City Council with a separate resolution when necessary.

In addition to these recommendations for the General Fund, several carry-over appropriations listed below are needed to close the books for the fiscal year.

2. Facilities Repair Fund = \$24,490.54.

Unspent restricted courts fees for Courthouse maintenance and construction will be carried over in the Facilities Repair Fund.

3. Grants Fund = \$10,442.28.

Unspent State Fire Grant funds to be used for qualifying expenditures.

4. Schools Gainsharing = \$1,464,765.00

In 1998, the School Board and City Council entered into a gainsharing agreement. This agreement mandates that the first \$100,000 to go to facilities for School Capital Improvement Projects, the next \$100,000 is retained by the Schools in the General Fund and then any amount over \$200,000 will be shared equally (50/50) between the School Board and the City.

For the year ending June 30, 2025, the Schools Gainsharing amount totals \$1,464,765.00. The full amount is recommended to be transferred to the City's Debt Service Fund to help offset debt service costs related to school projects.

Recommended Motion (if Applicable)

I recommend approval of the resolution of appropriation to amend the FY26 budget as presented by the City Manager and Director of Finance.

Attachments

1. Resolution of Appropriation to Amend the FY26 Budget



RESOLUTION #R-__ - __
Resolution Amending the FY 2026 Budget Ordinance to Reallocate Carry Over Funds
from the end of Fiscal Year 2025 (“Year End” Appropriation)
\$10,001,875.49

WHEREAS the City Council of Charlottesville of the City of Charlottesville, Virginia adopted an ordinance on April 14, 2025, setting a budget for FY 2026 (“the Budget Ordinance”); and

WHEREAS the City Council of Charlottesville of the City of Charlottesville, Virginia has received and reviewed the results of the year-end audit for Fiscal Year 2025, which identified a surplus of appropriations over expenditures; and

WHEREAS the City Council of Charlottesville of the City of Charlottesville, Virginia desires to amend the Budget Ordinance previously adopted for Fiscal Year 2026, to increase the amount of authorized expenditures by a total of \$10,001,875.49 and, since this Budget Amendment exceeds one percent (1%) of the total expenditures shown in the currently-adopted budget, City Council conducted a public hearing on the proposed amendment following public notice given in accordance with Virginia Code §15.2-2507(A); now, therefore,

NOW, THEREFORE, BE IT RESOLVED by the City Council of Charlottesville of the City of Charlottesville, Virginia, that the expenditures hereinafter set forth are hereby authorized and appropriated within the accounts of the City for the uses listed below, for the Fiscal Year ending June 30, 2026. The details explaining the purposes for which the following expenditure amounts are authorized, shall be as set forth within the City Council agenda memo dated February 17, 2026, which agenda memo is incorporated into this Resolution by reference.

I. GENERAL FUND.

Surplus Funds above the 17% Fund Balance Policy to be transferred to CIP Contingency account (CP-080). Expenditures out of the CIP contingency account will be approved by City Council with a separate resolution when necessary.

Total Section I **\$8,502,177.67**

II. FACILITIES REPAIR FUND.

Courthouse Maintenance (P-00099) - \$10,159.78 - These unspent restricted court fees will be used for future court repair work or records conversion. The amount will be carried over in the Facilities Repair Fund.

Courthouse Construction (P-00783) - \$14,330.76– These unspent restricted court fees will be used for future renovations or construction projects relating to the courts and will be carried over in the Facilities Repair Fund.

Total Section II.

\$24,490.54

III. GRANTS FUND.

These funds were received from outside sources and are being appropriated to be spent by the respective grants:

\$10,442.28 – these funds will be used for additional qualifying State Fire Grant expenditures (1900010).

Total Section III.

\$10,442.28

IV. SCHOOLS GAINSHARING

In 1998, the School Board and City Council entered into a gainsharing agreement agreement states that the first \$100,000 to go to facilities for School Capital Improvement Projects, the next \$100,000 is retained by the Schools in the General Fund and then any amount over \$200,000 will be shared equally (50/50) between the School Board and the City.

For the year ending June 30, 2025, the Schools Gainsharing amount totals \$1,464,765.00. The full amount will be returned to the City and deposited into City's Debt Service Fund to help offset debt service costs related to school projects.

Total Section IV.

\$1,464,765.00

Date Adopted:

Certified:

Clerk of Council

Policy Briefing Summary

City Council



Regarding:	Public Hearing and Ordinance for City Code Chapter 34 (Development Code) Zoning Text Amendments Tiers 1 and 2
Staff Contact(s):	Matthew Alfele, City Planner
Presenter:	Matthew Alfele, City Planner
Date of Proposed Action:	February 17, 2026

Issue

On December 18, 2023, the City of Charlottesville, Virginia ("City"), adopted a new Development Code ("DC") intended to implement a more form-based Zoning Ordinance and increase density throughout the City in alignment with the City's 2021 Comprehensive Plan. As with any evolving regulatory framework, City Staff has identified both minor and significant issues within the DC that require amendments to ensure it continues to support the City's stated goals effectively.

Over the past year, City Staff, in collaboration with the Planning Commission ("PC"), worked to identify and correct many issues through a series of proposed Zoning Text Amendments ("ZTAs"). This effort represents the first in what will be an annual review process to maintain the DC's relevance and effectiveness as a tool for shaping the built environment in accordance with community objectives.

Background / Rule

In accordance with state regulations, City Staff requests that City Council hold a Public Hearing to consider adoption of the DC ZTAs reviewed by City Staff and the PC. These ZTAs have been organized into three (3) Tiers based on their scope and impact.

Tier 1 consists of sixty-three (63) proposed ZTAs that address scrivener errors, incorporate changes required by recent state legislation, and clarify or supplement existing provisions. Legislative changes include updates mandated by HB2660 and SB974. HB2660 shortens approval timeframes for subdivision plats and site plans. SB974 removes approval authority for administrative plat and plan reviews from planning commissions and governing bodies, assigning it to a designated agent, and expedites state agency review timelines. In addition to these legislative updates, Tier 1 includes minor clarifications requiring minimal PC feedback.

Tier 2 includes twenty-three (23) ZTAs that address oversights, clarify existing provisions, and make necessary modifications. These were presented to the PC during its November 12, 2025, Work Session and then again for a recommendation at the January 13, 2026, Public Hearing. At these meetings, detailed analyses explaining City Staff's rationale for each change were presented.

Tier 3 identifies policy issues requiring comprehensive analysis and robust community engagement. While these items are not part of the current proposal tonight, they have been captured within City Staff's "Working Document." To view the Working Document, please see the Staff Report and related materials from the January 13, 2026, Public Hearing.

For a detailed review of each ZTA and a comprehensive analysis, please refer to the Staff Report prepared for the January 13, 2026, PC Public Hearing. ([Link](#))

Analysis

The PC held a Public Hearing on January 13, 2026, during which one (1) member of the public spoke in favor of the proposed ZTAs. Following discussion, the PC voted unanimously to recommend approval. In addition, the PC raised several considerations for future policy review, including reevaluating build-to zones versus minimum setbacks, redefining active depth requirements, and exploring exemptions for existing structures, particularly within Architectural Design Control Districts. These concerns reflect a broader interest in reducing regulatory burdens on development projects to support financial feasibility and timely implementation. For further details on the meeting, please refer to the recorded Public Hearing meeting. ([Link](#))

Financial Impact

There is no anticipated financial impact associated with these ZTAs.

Recommendation

City Staff recommends that City Council adopt the attached Ordinance amending the City DC (Chapter 34) as presented.

Recommended Motion (if Applicable)

"I move to adopt the attached Ordinance amending the City DC (Chapter 34) as presented."

Attachments

1. Ordinance
2. CC_Code_Amendments_Public_Hearing_2_17_26_email

ORDINANCE AMENDING AND RE-ENACTING CHAPTER 34 (CHARLOTTESVILLE DEVELOPMENT CODE) OF THE CODE OF THE CITY OF CHARLOTTESVILLE, VIRGINIA, TO CORRECT ERRORS AND MAKE MINOR CHANGES TO THE CODE SECTIONS OUTLINED IN THIS ORDINANCE

WHEREAS, upon City Staff's recommendation, the Planning Commission ("PC") initiated a Zoning Text Amendment proposing amendments to the City's Development Code, for a series of Tiered changes. Tier 1 Amendments include updates to address scrivener errors and codify Virginia Code legislative updates. Tier 2 Amendments include updates to provide clarifying information and make minor changes and modifications to better reflect the Intent Section(s) of the City's Development Code; and

WHEREAS, on January 13, 2026, the PC held a Public Hearing on the Proposed Zoning Text Amendments, after Notice was given to the public and adjacent property owners as required by law, and, at the conclusion of the Public Hearing, the PC recommended approval of the Proposed Zoning Text Amendments to Chapter 34 of the City Code; and

WHEREAS, on February 17, 2026, the Council of the City of Charlottesville, Virginia ("City Council"), held a Public Hearing on the Proposed Zoning Text Amendments, after Notice was given to the public and adjacent property owners as required by law; and

WHEREAS, after consideration of the Public Hearing, the PC's recommendation, and City Staff's recommendation, City Council believes that the Proposed Zoning Text Amendments, are carefully designed to give reasonable consideration to the purposes listed in § 15.2-2283 of the Code of Virginia (1950), as amended.

NOW THEREFORE, BE IT FORMALLY ORDAINED, that City Council hereby finds and determines that: (i) the public necessity, convenience, general welfare, and good zoning practice require the Proposed Zoning Text Amendments; and (ii) the Proposed Zoning Text Amendments are consistent with the City's Comprehensive Plan; and

BE IT FURTHER ORDAINED by City Council that Chapter 34 (City Development Code) of the City Code is hereby amended and re-enacted as follows, effective on March 23, 2026.

Amend Chapter 34:

Code Section: 34-4.3.2.B.1.a

Page Number: 4-10

Old Text:

...Administrator may allow once side of a block...

"Track Changes"

Version: ...Administrator may allow ~~once~~ one side of a block...

Clean Version:

...Administrator may allow one side of a block...

Code Section: 34-6.7.3.D.1.a.iii

Page Number: 6-15

Old Text:

See 5.2.7 Major Historic Review and 5.2.7 Major Historic Review.

"Track Changes" Version:

See ~~5.2.7 Major~~ **5.2.6. Minor** Historic Review and 5.2.7 Major Historic Review.

Clean Version:

See 5.2.6 Minor Historic Review and 5.2.7 Major Historic Review.

Code Section: 34-2.10.2.B.2.b

Page Number: 2-104

Old Text:

...regardless of the width of the lot, provided, that all other requirements...

"Track Changes" Version:

...regardless of the width of the lot, provided, that all other requirements...

Clean Version:

...regardless of the width of the lot, provided that all other requirements...

Code Section: 34-5.2.15.C.1.c

Page Number: 5-55

Old Text:

When the property is within an ADC district, HC district, or an IPP, the Administrator will refer the application to the BAR for review as to whether the proposed exception will have an adverse impact on the district, and for recommendation reasonable conditions which, if imposed, would mitigate any such impacts. The BAR must submit a written report of its findings in support of its recommendation to City Council.

"Track Changes" Version:

When the property is within an ADC district, HC district, or an IPP, the Administrator will refer the application to the BAR for review as to whether the proposed exception will have an adverse impact on the district, and for recommendation ~~as the to~~ **as to the** reasonable conditions which, if imposed, would mitigate any such impacts. The BAR must submit a written report of its findings in support of its recommendation to City Council.

Clean Version:

When the property is within an ADC district, HC district, or an IPP, the Administrator will refer the application to the BAR for review as to whether the proposed exception will have an adverse impact on the district, and for recommendation as to the reasonable conditions which, if imposed, would mitigate any such impacts. The BAR must submit a written report of its findings in support of its recommendation to City Council.

Code Section: 34-5.2.16.C.1

Page Number: 5-57

Old Text:

Administrative Review

The Administrator will review the application for a Critical Slopes Special Exception and will provide a staff report and recommendation to Planning Commission in advance of the public. Prior to the preparation of the staff report, City staff may make recommendations to the Administrator to include in the staff report.

"Track Changes" Version:

Administrative Review

The Administrator will review the application for a Critical Slopes Special Exception and will provide a staff report and recommendation to Planning Commission in advance of the public ~~hearing~~ **meeting**. Prior to the preparation of the staff report, City staff may make recommendations to the Administrator to include in the staff report.

Clean Version:

Administrative Review

The Administrator will review the application for a Critical Slopes Special Exception and will provide a staff report and recommendation to Planning Commission in advance of the public meeting. Prior to the preparation of the staff report, City staff may make recommendations to the Administrator to include in the staff report.

Code Section: 34-5.1.3.B.1

Page Number: 5-5

Old Text:

1. Review Authority

The Planning Commission is responsible for review and recommendation regarding:

- a. Comprehensive Plan adoption and amendments;
- b. Text amendments to this Development Code;
- c. Map amendments to the official zoning map (rezoning);
- d. Special Use Permits; and
- e. Critical Slopes Special Exceptions.

"Track Changes" Version:

1. Review Authority

The Planning Commission is responsible for review and recommendation regarding:

- a. Comprehensive Plan adoption and amendments;
- b. Text amendments to this Development Code;
- c. Map amendments to the official zoning map (rezoning);
- d. Special Use Permits;
- e. Special Exception Permits;** and
- f. Critical Slopes Special Exceptions.

Clean Version:

1. Review Authority

The Planning Commission is responsible for review and recommendation regarding:

- a. Comprehensive Plan adoption and amendments;
- b. Text amendments to this Development Code;
- c. Map amendments to the official zoning map (rezoning);

- d. Special Use Permits;
- e. Special Exception Permits; and
- f. Critical Slopes Special Exceptions.

Code Section: 34-5.3.3.B

Page Number: 5-62

Old Text:

Expansions

Expansions of a nonconforming structure must meet the requirements of this Development Code with the following exceptions:

- a. If the nonconforming structure does meet build-to width requirements of the zoning district, the expansion must meet the requirements of this Section.
- b. In a Residential (R-) District, a nonconforming structure that encroaches into the setback may be expanded as long as the expansion will not result in an increase in the encroachment

"Track Changes" Version:

Expansions-Additions

Expansions of-Additions to a nonconforming structure must meet the requirements of this Development Code with the following exceptions:

- a. If the nonconforming structure does meet build-to width requirements of the zoning district, the **expansion addition** must meet the requirements of this Section.
- b. In a Residential (R-) District, a nonconforming structure that encroaches into the setback may be expanded as long as the **expansion addition** will not result in an increase in the encroachment

Clean Version:

Additions

Additions to a nonconforming structure must meet the requirements of this Development Code with the following exceptions:

- a. If the nonconforming structure does meet build-to width requirements of the zoning district, the addition must meet the requirements of this Section.
- b. In a Residential (R-) District, a nonconforming structure that encroaches into the setback may be expanded as long as the addition will not result in an increase in the encroachment

Code Section: 34-5.3.3.B.2

Page Number: 5-63

Old Text:

If the nonconforming structure to be expanded is also a contributing structure in an ADC District or HC District, or an Individually Protected Property, , then that structure is not required to meet any development standard that would require modification of the structure itself, and the Board

of Architectural Review must approve a Certificate of Appropriateness for the proposed expansion.

"Track Changes" Version:

If the nonconforming structure to be expanded is also a contributing structure in an ADC District or HC District, or an Individually Protected Property, then that structure is not required to meet any development standard that would require modification of the structure itself, and the Board of Architectural Review must approve a Certificate of Appropriateness for the proposed expansion.

Clean Version:

If the nonconforming structure to be expanded is also a contributing structure in an ADC District or HC District, or an Individually Protected Property, then that structure is not required to meet any development standard that would require modification of the structure itself, and the Board of Architectural Review must approve a Certificate of Appropriateness for the proposed expansion.

Code Section: 34-5.2.8.A

Page Number: 5-34

Old Text:

A Corridor Review for a Certificate of Appropriateness is required for the following project activities **n** on any property located in the Entrance Corridor District:

"Track Changes" Version:

A Corridor Review for a Certificate of Appropriateness is required for the following project activities **n** on any property located in the Entrance Corridor District:

Clean Version:

A Corridor Review for a Certificate of Appropriateness is required for the following project activities on any property located in the Entrance Corridor District:

Code Section: 34-5.2.9.D.1.a.iii

Page Number: 5-38

Old Text:

When the property is within an ADC District, HC District, or an Individually Protected Property, a Certificate of Appropriateness may also be required. See 5.2.7 *Minor Historic Review* and 5.2.7. *Major Historic Review*.

"Track Changes" Version:

When the property is within an ADC District, **Entrance Corridor**, HC District, or an Individually Protected Property, a Certificate of Appropriateness may also be required. See 5.2.76. **Major** *Minor Historic Review* and 5.2.7. *Major Historic Review*.

Clean Version:

When the property is within an ADC District, Entrance Corridor, HC District, or an Individually Protected Property, a Certificate of Appropriateness may also be required. See 5.2.6. *Minor Historic Review* and 5.2.7. *Major Historic Review*.

Code Section: 34-4.7.1.A.1

Page Number: 4-48

Old Text:

To protect and enhance the character and stability of neighborhoods the compatibility of new development with its surrounding context where the scale of development changes between lots of differing zoning districts; and

"Track Changes" Version:

To protect and enhance the character and stability of neighborhoods **and** the compatibility of new development with its surrounding context where the scale of development changes between lots of differing zoning districts; and

Clean Version:

To protect and enhance the character and stability of neighborhoods and the compatibility of new development with its surrounding context where the scale of development changes between lots of differing zoning districts; and

Code Section: 34-2.10.1.B.1.e

Page Number: 2-95

Old Text:

For lots that abut multiple streets, the Administrator will determine primary streets using the following criteria listed from most important to less important:

- (i) The street or streets with the highest classification according to the Street Typology Map;
- (ii) The established orientation of the block;
- (iii) The street abutting the longest face of the block; and
- (iii) The street parallel to an alley within the block.

"Track Changes" Version:

For lots that abut multiple streets, the Administrator will determine primary streets using the following criteria listed from most important to less important:

- (i) The street or streets with the highest classification according to the Street Typology Map;
- (ii) The established orientation of the block;
- (iii) The street abutting the longest face of the block; and
- (iv) ~~(iii)~~** The street parallel to an alley within the block.

Clean Version:

For lots that abut multiple streets, the Administrator will determine primary streets using the following criteria listed from most important to less important:

- (i) The street or streets with the highest classification according to the Street Typology Map;
- (ii) The established orientation of the block;
- (iii) The street abutting the longest face of the block; and

(iv) The street parallel to an alley within the block.

Code Section: 34-5.1.1

Page Number: 5-3

Old Text:

Summary of Review Authority Table giving Planning Commission Review and Appeal (A) Authority over Development Review.

"Track Changes" Version: **NA**

Clean Version:

Remove Planning Commission as the Appeal (A) Authority over Development Review.

Code Section: 34-5.1.3.B.2

Page Number: 5-6

Old Text:

Authority

2. Approval Authority

The Planning Commission is responsible for final action regarding:

- a. Review of Public Facilities;
- b. Preliminary Plats; and
- c. Appeals regarding Development Review, Subdivision Review, and Certificates of Appropriateness subject to Corridor Review.

"Track Changes" Version:

Authority

2. Approval Authority

The Planning Commission is responsible for final action regarding:

- a. Review of Public Facilities;
- b. ~~Preliminary Plats;~~ and
- c. Appeals regarding ~~Development Review, Subdivision Review, and~~ Certificates of Appropriateness subject to Corridor Review.

Clean Version:

Authority

2. Approval Authority

The Planning Commission is responsible for final action regarding:

- a. Review of Public Facilities; and
- c. Appeals regarding Certificates of Appropriateness subject to Corridor Review.

Code Section: 34-6.7.3.D.1.a

Page Number: 6-15

Old Text:

Once the Subdivision Administrator determines the application is complete, the Subdivision Administrator will notify the Planning Commission of the application and

review the application against the requirements of this Development Code and other applicable technical requirements of the City.

"Track Changes" Version:

Once the Subdivision Administrator determines the application is complete, the Subdivision Administrator will ~~notify the Planning Commission of the application and~~ review the application against the requirements of this Development Code and other applicable technical requirements of the City.

Clean Version:

Once the Subdivision Administrator determines the application is complete, the Subdivision Administrator will review the application against the requirements of this Development Code and other applicable technical requirements of the City.

Code Section: 34-6.7.3.D.1.b

Page Number: 6-15

Old Text:

Section b Planning Commission Decision

"Track Changes" Version: NA

Clean Version:

Section removed.

Code Section: 34-6.7.3.D.2.a

Page Number: 6-16

Old Text:

The applicant may appeal a decision of denial, or failure of the Subdivision Administrator or Planning Commission to approve or deny the application, to the Circuit Court in accordance with the *Code of Virginia § 15.2-2259*.

"Track Changes" Version:

The applicant may appeal a decision of denial, or failure of the Subdivision Administrator ~~or Planning Commission~~ to approve or deny the application, to the Circuit Court in accordance with the *Code of Virginia § 15.2-2259*.

Clean Version:

The applicant may appeal a decision of denial, or failure of the Subdivision Administrator to approve or deny the application, to the Circuit Court in accordance with the *Code of Virginia § 15.2-2259*.

Code Section: 34-6.7.4.A

Page Number: 6-19

Old Text:

Whenever this Article contains provisions for variation or exception to a requirement, the Subdivision Administrator or Planning Commission in considering a request for a variation or exception, will consider whether, because of unusual size, topography, shape of the property,

location of the property or other unusual conditions (excluding the proprietary interests of the subdivider) the requirement that is proposed to be varied or excepted would result in substantial injustice or hardship and would not forward the purposes of this chapter or serve the public interest.

"Track Changes" Version:

Whenever this Article contains provisions for variation or exception to a requirement, the Subdivision Administrator ~~or Planning Commission~~ in considering a request for a variation or exception, will consider whether, because of unusual size, topography, shape of the property, location of the property or other unusual conditions (excluding the proprietary interests of the subdivider) the requirement that is proposed to be varied or excepted would result in substantial injustice or hardship and would not forward the purposes of this chapter or serve the public interest.

Clean Version:

Whenever this Article contains provisions for variation or exception to a requirement, the Subdivision Administrator in considering a request for a variation or exception, will consider whether, because of unusual size, topography, shape of the property, location of the property or other unusual conditions (excluding the proprietary interests of the subdivider) the requirement that is proposed to be varied or excepted would result in substantial injustice or hardship and would not forward the purposes of this chapter or serve the public interest.

Code Section: 34-6.7.4.A.4

Page Number: 6-19

Old Text:

A subdivider may appeal the Subdivision Administrator's decision to deny a variation or exception request to the Planning Commission. In reviewing the request, the Planning Commission may approve or disapprove the request based on the applicable findings set forth in this Section.

"Track Changes" Version:

A subdivider may appeal the Subdivision Administrator's decision to deny a variation or exception request to the ~~Planning Commission~~ Circuit Court in accordance with the Code of Virginia § 15.2-2259. In reviewing the request, the ~~Planning Commission~~ Circuit Court may approve or disapprove the request based on the applicable findings set forth in this Section.

Clean Version:

A subdivider may appeal the Subdivision Administrator's decision to deny a variation or exception request to the Circuit Court in accordance with the Code of Virginia § 15.2-2259. In reviewing the request, the Circuit Court may approve or disapprove the request based on the applicable findings set forth in this Section.

Code Section: 34-5.2.1.C.4.a

Page Number: 5-12

Old Text:

All applications must be complete before the City is required to review the application. Once an application is received, the Administrator has 10 days to review and determine the completeness of an application. An applicant will be notified of an incomplete application, and the application will not proceed for review or decision.

"Track Changes" Version:

All applications must be complete before the City is required to review the application. Once an application is received, the Administrator has ~~10~~ 5 days to review and determine the completeness of an application. An applicant will be notified of an incomplete application, and the application will not proceed for review or decision.

Clean Version:

All applications must be complete before the City is required to review the application. Once an application is received, the Administrator has 5 days to review and determine the completeness of an application. An applicant will be notified of an incomplete application, and the application will not proceed for review or decision.

Code Section: 34-4.7.1.B.1

Page Number: 4-48

Old Text:

The Applicability table is missing the RN-A district.

"Track Changes" Version:

Version: ~~NA~~

Clean Version:

Add RN-A to the District of Lot Column after R-A and to the Abutting District Row after R-A.

Code Section: 34-2.3.2.B.1

Page Number: 2-19

Old Text:

With bonus

"Track Changes" Version:

With ~~bonus~~ Affordable Dwelling Unit Bonus

Clean Version:

Bonus: Affordable Dwelling Unit

Code Section: 34-2.3.3.B.1

Page Number: 2-21

Old Text:

With bonus

"Track Changes" Version:

With ~~bonus~~ Affordable Dwelling Unit Bonus

Clean Version:

Bonus: Affordable Dwelling Unit

Code Section: 34-2.4.2.B.1

Page Number: 2-25

Old Text:

With bonus

"Track Changes" Version:

With ~~bonus~~ Affordable Dwelling Unit Bonus

Clean Version:

With Affordable Dwelling Unit Bonus

Code Section: 34-2.4.3.B.1

Page Number: 2-27

Old Text:

With bonus

"Track Changes" Version:

With ~~bonus~~ Affordable Dwelling Unit Bonus

Clean Version:

With Affordable Dwelling Unit Bonus

Code Section: 34-2.4.4.B.1

Page Number: 2-29

Old Text:

With bonus

"Track Changes" Version:

With ~~bonus~~ Affordable Dwelling Unit Bonus

Clean Version:

With Affordable Dwelling Unit Bonus

Code Section: 34-2.5.2.B.1

Page Number: 2-33

Old Text:

With bonus

"Track Changes" Version:

With ~~bonus~~ Affordable Dwelling Unit Bonus

Clean Version:

With Affordable Dwelling Unit Bonus

Code Section: 34-2.5.3.B.1

Page Number: 2-35

Old Text:

With bonus

"Track Changes" Version:

With ~~bonus~~ Affordable Dwelling Unit Bonus

Clean Version:

With Affordable Dwelling Unit Bonus

Code Section: 34-2.5.4.B.1

Page Number: 2-37

Old Text:

With bonus

"Track Changes" Version:

With ~~bonus~~ Affordable Dwelling Unit Bonus

Clean Version:

With Affordable Dwelling Unit Bonus

Code Section: 34-2.5.5.B.1

Page Number: 2-39

Old Text: With bonus

"Track Changes" Version:

With ~~bonus~~ Affordable Dwelling Unit Bonus

Clean Version:

With Affordable Dwelling Unit Bonus

Code Section: 34-2.5.6.B.1

Page Number: 2-41

Old Text:

With bonus

"Track Changes" Version:

With ~~bonus~~ Affordable Dwelling Unit Bonus

Clean Version:

With Affordable Dwelling Unit Bonus

Code Section: 34-2.6.2.B.1

Page Number: 2-45

Old Text:

With bonus

"Track Changes" Version:

With ~~bonus~~ Affordable Dwelling Unit Bonus

Clean Version:

With Affordable Dwelling Unit Bonus

Code Section: 34-2.6.3.B.1

Page Number: 2-47

Old Text:

With bonus

"Track Changes" Version:

With ~~bonus~~ **Affordable Dwelling Unit Bonus**

Clean Version:

With Affordable Dwelling Unit Bonus

Code Section: 34-2.5.6.A.6.

Page Number: 2-40

Old Text:

Type X

"Track Changes" Version:

Type ~~X~~ **B, D**

Clean Version:

Type B, D

Code Section: 34-3.4.4.A

Page Number: 3-32

Old Text:

In a RX- District, commercial uses must not exceed 25% of the floor area on a lot.

"Track Changes

Version: This information needs to be within the RX- district pages in Division 2.

Clean Version:

2.3.2.B.7 Commercial Uses Section 3.4.4.A: (First Column) Commercial Uses per floor area per lot (Second Column) max 25%

2.3.3.B.7 Commercial Uses Section 3.4.4.A: (First Column) Commercial Uses per floor area per lot (Second Column) max 25%

Code Section: 34-4.2.1.B.1

Page Number: 4-5

Old Text:

The existing structure bonus applies to any project within Residential A (R-A) or Residential B (R-B) zoning districts where a developer chooses to meet all of the standards of this Section in order to receive a density bonus to the maximum allowed dwelling units per lot.

"Track Changes" Version:

The existing structure bonus applies to any project within Residential A (R-A), **Residential Core Neighborhood A (RN-A)**, Residential B (R-B), or **Residential C (R-C)** zoning districts where a developer chooses to meet all of the standards of this Section in order to receive a density bonus to the maximum allowed dwelling units per lot.

Clean Version:

The existing structure bonus applies to any project within Residential A (R-A), Residential B (R-B), Residential C (R-C), or Residential Core Neighborhood A (RN-A) zoning districts where a developer chooses to meet all of the standards of this Section in order to receive a density bonus to the maximum allowed dwelling units per lot.

Code Section: 34-4.5.1.B.1.

Page Number: 4-22

Old Text:

The Applicability table is Missing RN-A

"Track Changes" Version:

NA

Clean Version:

All R- and RN- Districts

Type 2

Code Section: 34-2.8.4.B

Page Number: 2-57

Old Text:

When allowed in Residential (R-) districts, the following principal uses may follow the Shopfront House Form standards:

"Track Changes" Version:

When allowed in Residential (R-) **and (RN-)** districts, the following principal uses may follow the Shopfront House Form standards:

Clean Version:

When allowed in Residential (R-) and (RN-) districts, the following principal uses may follow the Shopfront House Form standards:

Code Section: 34-2.10.4.A.3.b

Page Number: 2-106

Old Text:

In Residential A (R-A), Residential B (R-B), and Residential C (R-C), the building coverage cannot exceed the maximum allowed based on the number of units provided on the lot.

"Track Changes" Version:

In Residential A (R-A), **Residential Core Neighborhood A (RN-A)**, Residential B (R-B), and Residential C (R-C), the building coverage cannot exceed the maximum allowed based on the number of units provided on the lot.

Clean Version:

In Residential A (R-A), Residential Core Neighborhood (RN-A), Residential B (R-B), and Residential C (R-C), the building coverage cannot exceed the maximum allowed based on the number of units provided on the lot.

Code Section: 34-2.10.9.B.2

Page Number: 2-130

Old Text:

Side wall height limitations apply to all lots in Residential A (R-A), and Residential B (R-B) zoning districts.

"Track Changes" Version:

Side wall height limitations apply to all lots in Residential A (R-A), Residential Core Neighborhood A (RN-A), and Residential B (R-B) zoning districts.

Clean Version:

Side wall height limitations apply to all lots in Residential A (R-A), Residential Core Neighborhood (RN-A), and Residential B (R-B) zoning districts.

Code Section: 34-3.4.2.B

Page Number: 3-20

Old Text:

Residential treatment facilities for sex offender treatment services are not allowed in Residential (R-)and Residential Mixed Use (RX-) districts.

"Track Changes" Version:

Residential treatment facilities for sex offender treatment services are not allowed in Residential (R-), Residential Core Neighborhood (RN-), and Residential Mixed Use (RX-) districts.

Clean Version:

Residential treatment facilities for sex offender treatment services are not allowed in Residential (R-), Residential Core Neighborhood (RN-), and Residential Mixed Use (RX-) districts.

Code Section: 34-3.4.4.B.1

Page Number: 3-32

Old Text:

When abutting a common lot line of any R-₂ or RX- District, a Low Impact Transition Screen is required.

"Track Changes" Version:

When abutting a common lot line of any R-, RN-, or RX- District, a Low Impact Transition Screen is required.

Clean Version:

When abutting a common lot line of any R-, RN-, or RX- District, a Low Impact Transition Screen is required.

Code Section: 34-3.4.5.A.1.a

Page Number: 3-32

Old Text:

When abutting a common lot line or across an alley of a R-or RX- District, a Transition Type E is required.

"Track Changes" Version:

When abutting a common lot line or across an alley of a R-, ~~RN-~~, or RX- District, a Transition Type E is required.

Clean Version:

When abutting a common lot line or across an alley of a R-, RN-, or RX- District, a Transition Type E is required.

Code Section: 34-3.4.5.A.3.c

Page Number: 3-33

Old Text:

When abutting a common lot line or across an alley of a R- or RX- District, a Transition Type E is required.

"Track Changes" Version:

When abutting a common lot line or across an alley of a R-, ~~RN-~~, or RX- District, a Transition Type E is required.

Clean Version:

When abutting a common lot line or across an alley of a R-, RN-, or RX- District, a Transition Type E is required.

Code Section: 34-3.4.5.A.4.a

Page Number: 3-33

Old Text:

When abutting a common lot line or across an alley of a R- or RX- District, a Transition Type E is required.

"Track Changes" Version:

When abutting a common lot line or across an alley of a R-, ~~RN-~~, or RX- District, a Transition Type E is required.

Clean Version:

When abutting a common lot line or across an alley of a R-, RN-, or RX- District, a Transition Type E is required.

Code Section: 34-3.5.2.H.1

Page Number: 3-38

Old Text:

Outdoor entertainment areas must be a minimum of 150 feet from a R- District

"Track Changes" Version:

Outdoor entertainment areas must be a minimum of 150 feet from a R- District ~~or RN- District.~~

Clean Version:

Outdoor entertainment areas must be a minimum of 150 feet from a R- District or RN- District.

Code Section: 34-3.5.2.I.3

Page Number: 3-39

Old Text:

When abutting a common lot line of a R- or RX- District, a Fence Type X is required.

"Track Changes" Version:

When abutting a common lot line of a R-, ~~RN-~~, or RX- District, a ~~Fence Type X~~ High Impact Transition Screen is required.

Clean Version:

When abutting a common lot line of a R-, RN-, or RX- District, a High Impact Transition Screen is required.

Code Section: 34-3.6.2.C.3

Page Number: 3-42

Old Text:

Must not be approved to take place within 300 feet of a R- District.

"Track Changes" Version:

Must not be approved to take place within 300 feet of a R- ~~or RN-~~ District.

Clean Version:

Must not be approved to take place within 300 feet of a R- or RN- District.

Code Section: 34-3.6.2.F.3.c

Page Number: 3-45

Old Text:

All lighting associated with the site must meet the requirements of Div. 4.12. Outdoor Lighting and must be screened from view from any rights-of-way, or Residential (R-) zoning district.

"Track Changes" Version:

All lighting associated with the site must meet the requirements of Div. 4.12. Outdoor Lighting and must be screened from view from any rights-of-way, or Residential (R-) ~~or Residential Core Neighborhood (RN-)~~ zoning district.

Clean Version:

All lighting associated with the site must meet the requirements of Div. 4.12. Outdoor Lighting and must be screened from view from any rights-of-way, or Residential (R-) or Residential Core Neighborhood (RN-) zoning district.

Code Section: 34-4.4.5.D.3

Page Number: 4-20

Old Text:

In Residential (R-) zoning districts, when the project fronts on an existing street and adjacent property on either side of the project does not have an existing streetscape, the Administrator may allow the project developer to contribute to a streetscape fund, maintained and administered by the City, an amount equivalent to the cost of the dedication of land for and the construction of the streetscape on the property.

"Track Changes" Version:

In Residential (R-) or Residential Core Neighborhood (RN-) zoning districts, when the project fronts on an existing street and adjacent property on either side of the project does not have an existing streetscape, the Administrator may allow the project developer to contribute to a streetscape fund, maintained and administered by the City, an amount equivalent to the cost of the dedication of land for and the construction of the streetscape on the property.

Clean Version:

In Residential (R-) or Residential Core Neighborhood (RN-) zoning districts, when the project fronts on an existing street and adjacent property on either side of the project does not have an existing streetscape, the Administrator may allow the project developer to contribute to a streetscape fund, maintained and administered by the City, an amount equivalent to the cost of the dedication of land for and the construction of the streetscape on the property.

Code Section: 34-4.5.5.C.7

Page Number: 4-37

Old Text:

Where a parking structure is visible from a street or a Residential (R-) district, the entire visible portion must be screened with a permanent structure that meets the following standards:

"Track Changes" Version:

Where a parking structure is visible from a street, ~~or~~ a Residential (R-) district, or a Residential Core Neighborhood (RN-) district, the entire visible portion must be screened with a permanent structure that meets the following standards:

Clean Version:

Where a parking structure is visible from a street, a Residential (R-) district, or Residential Core Neighborhood (RN-) district, the entire visible portion must be screened with a permanent structure that meets the following standards:

Code Section: 34-4.5.7.C.2

Page Number: 4-43

Old Text:

The following requirements apply to a project in a Residential (R-) zoning district with a front- or side-accessed driveway.

"Track Changes" Version:

The following requirements apply to a project in a Residential (R-) or Residential Core Neighborhood (RN-) zoning district with a front- or side-accessed driveway.

Clean Version:

The following requirements apply to a project in a Residential (R-) or Residential Core Neighborhood (RN-) zoning district with a front- or side-accessed driveway.

Code Section: 34-4.5.7.C.3

Page Number: 4-43

Old Text:

The following requirements apply to a project in a Residential (R-) zoning district with a rear-accessed driveway.

"Track Changes" Version:

The following requirements apply to a project in a Residential (R-) or Residential Core Neighborhood (RN-) zoning district with a rear-accessed driveway.

Clean Version:

The following requirements apply to a project in a Residential (R-) or Residential Core Neighborhood (RN-) zoning district with a rear-accessed driveway.

Code Section: 34-4.11.3.B.2.e.ii

Page Number: 4-83

Old Text:

ii. Residential (R-) Districts, ADC Districts, and IPPs

In a R- District, ADC District, and IPPs, small temporary signs must meet the following standards:

"Track Changes" Version:

ii. Residential (R-) Districts, Residential Core Neighborhood (RN-), ADC Districts, and IPPs

In a R- District, RN- District, ADC District, and IPPs, small temporary signs must meet the following standards:

Clean Version:

ii. Residential (R-) Districts, Residential Core Neighborhood (RN-), ADC Districts, and IPPs

In a R- District, RN- District, ADC District, and IPPs, small temporary signs must meet the following standards:

Code Section: 34-4.11.6.A.2

Page Number: 4-86

Old Text:

Large temporary signs are not permitted in Residential (R-) Districts.

"Track Changes" Version:

Large temporary signs are not permitted in Residential (R-) or Residential Core Neighborhood (RN-) Districts.

Clean Version:

Large temporary signs are not permitted in Residential (R-) or Residential Core Neighborhood (RN-) Districts.

Code Section: 34-4.11.9.A

Page Number: 4-89

Old Text:

RN-A is missing from District Permissions

"Track Changes" Version: NA

Clean Version:

Under the zoning district row
Residential (R-) and (RN-)

Code Section: 34-4.11.9.C

Page Number: 4-90

Old Text: Maximum Sign Area is missing RN-A under the Residential Zoning Districts table.

"Track Changes" Version: NA

Clean Version:

Zoning Districts

Residential

All R- and RN- districts

Code Section: 34-4.11.11.B

Page Number: 4-101

Old Text:

Each outside lighting installation and each illuminated sign must be controlled by a time switch or externally operable switch which will open all underground conductors and must be suitable for conditions of installation, such as exposure to the weather. Illumination for any sign cannot be directed toward any Residential (R-) or Residential Mixed Use (RX-) district or toward any adjacent street.

"Track Changes" Version:

*Each outside lighting installation and each illuminated sign must be controlled by a time switch or externally operable switch which will open all underground conductors and must be suitable for conditions of installation, such as exposure to the weather. Illumination for any sign cannot be directed toward any Residential (R-), **Residential Core Neighborhood (RN-)**, or Residential Mixed Use (RX-) district or toward any adjacent street.*

Code Section: 34-4.12.2.C.4

Page Number: 4-103

Old Text:

Security lighting controlled by sensors, generating a maximum of 6,000 lumens per fixture, and which provides illumination for 15 minutes or less. In Residential (R-) districts, security lighting must not generate more than 3,000 lumens per fixture.

"Track Changes" Version:

*Security lighting controlled by sensors, generating a maximum of 6,000 lumens per fixture, and which provides illumination for 15 minutes or less. In Residential (R-) **and Residential Core Neighborhood (RN-)** districts, security lighting must not generate more than 3,000 lumens per fixture.*

Code Section: 34-4.12.3.C.3

Page Number: 4-104

Old Text:

Light fixtures within 30 feet of any R-A, R-B or R-C District may be no higher than 12 feet.

"Track Changes" Version:

Light fixtures within 30 feet of any R-A, RN-A, R-B or R-C District may be no higher than 12 feet.

Code Section: 34-5.3.3.B.1.b

Page Number: 5-62

Existing Text:

In a Residential (R-) District, a nonconforming structure that encroaches into the setback may be expanded as long as the expansion will not result in an increase in the encroachment.

Proposed Language:

In a Residential (R-) or Residential Core Neighborhood (RN-) district, a nonconforming structure that encroaches into the setback may be expanded as long as the expansion will not result in an increase in the encroachment.

Code Section: 34-7.1.2.E.3.a

Page Number: 7-9

Existing Text:

Sublots are only permitted in Residential (R-) districts.

Proposed Language:

Sublots are only permitted in Residential (R-) and Residential Core Neighborhood (RN-) districts.

Code Section: 34-5.2.7.C.2.c

Page Number: 5-29

Existing Text:

The BAR, or City Council on appeal, may require conditions of approval as are necessary or

desirable to ensure that any new construction or addition is compatible with the scale and character of the Architecture Design Control District, Individually Protected Property, or Historic Conservation District. Prior to attaching conditions to an approval, due consideration will be given to the cost of compliance with the proposed conditions as well as the goals of the Comprehensive Plan. Conditions may require a reduction in height or massing, consistent with the City's design guidelines and subject to the following limitations:

- i. Along the Downtown Mall, the BAR may limit story height to within 2 stories of the prevailing story height of the block;

- ii. In all other areas subject to review, the BAR may reduce the allowed height by no more than 2 stories; and
- iii. The BAR may require upper story setbacks of up to 25’.

Proposed Language:

~~The BAR, or City Council on appeal, may require conditions of approval as are necessary or desirable to ensure that any new construction or addition is compatible with the scale and character of the Architecture Design Control District, Individually Protected Property, or Historic Conservation District. Prior to attaching conditions to an approval, due consideration will be given to the cost of compliance with the proposed conditions as well as the goals of the Comprehensive Plan. Conditions may require a reduction in height or massing, consistent with the City’s design guidelines and subject to the following limitations:~~

- ~~i. Along the Downtown Mall, the BAR may limit story height to within 2 stories of the prevailing story height of the block;~~
- ~~ii. In all other areas subject to review, the BAR may reduce the allowed height by no more than 2 stories; and~~
- ~~iii. The BAR may require upper story setbacks of up to 25’.~~

Clean Version:

(This section is moved to) 2.9.2.D. ADC Certificate of Appropriateness

- a. A Certificate of Appropriateness is required for certain projects in ADC Districts in accordance with 5.2.6. Minor Historic Review and 5.2.7. Major Historic Review.
- b. The BAR, or City Council on appeal, may require conditions of approval as are necessary or desirable to ensure that any new construction or addition is compatible with the scale and character of the Architecture Design Control District. Prior to attaching conditions to an approval, due consideration will be given to the cost of compliance with the proposed conditions as well as the goals of the Comprehensive Plan. Conditions may require a reduction in height or massing, consistent with the City’s design guidelines and subject to the following limitations:
 - i. Along the Downtown Mall, the BAR may limit story height to within 2 stories of the prevailing story height of the block;
 - ii. In all other areas subject to review, the BAR may reduce the allowed height by no more than 2 stories; and
 - iii. The BAR may require upper story setbacks of up to 25’.

2.9.3.D. IPP Certificate of Appropriateness

- a. *A Certificate of Appropriateness is required for certain projects on Individually Protected Properties in accordance with 5.2.6. Minor Historic Review and 5.2.7. Major Historic Review.*
- b. *The BAR, or City Council on appeal, may require conditions of approval as are necessary or desirable to ensure that any new construction or addition is compatible with the scale and character of the Individually Protected Property. Prior to attaching conditions to an approval, due consideration will be given to the cost of compliance with the proposed conditions as well as the goals of the Comprehensive Plan. Conditions may require a reduction in height or massing, consistent with the City's design guidelines and subject to the following limitations:*
 - a. *Along the Downtown Mall, the BAR may limit story height to within 2 stories of the prevailing story height of the block;*
 - b. *In all other areas subject to review, the BAR may reduce the allowed height by no more than 2 stories; and*
 - c. *The BAR may require upper story setbacks of up to 25'.*

2.9.4.F. HC Certificate of Appropriateness

- a. *A Certificate of Appropriateness is required for certain projects in the HC Districts in accordance with 5.2.6. Minor Historic Review and 5.2.7. Major Historic Review.*
- b. *The BAR, or City Council on appeal, may require conditions of approval as are necessary or desirable to ensure that any new construction or addition is compatible with the scale and character of the Historic Conservation (-HC) District. Prior to attaching conditions to an approval, due consideration will be given to the cost of compliance with the proposed conditions as well as the goals of the Comprehensive Plan. Conditions may require a reduction in height or massing, consistent with the City's design guidelines and subject to the following limitations:*
 - iv. *Along the Downtown Mall, the BAR may limit story height to within 2 stories of the prevailing story height of the block;*
 - v. *In all other areas subject to review, the BAR may reduce the allowed height by no more than 2 stories; and*
 - vi. *The BAR may require upper story setbacks of up to 25'.*

Section 34-2.2.2.A.4, 34-2.2.3.A.4, 34-2.2.4.A.4, 34-2.2.5.A.4 and 34-2.10.5.C

Page: 2-8, 2-10, 2-12, 2-14, 2-112

Section 34-2.2.2.A.4

Existing Language:

4. BUILDING SETBACKS	<u>Sec. 2.10.5.</u>
D Primary street lot line (min/max)	10' / 20' or Existing Range
E Side street lot line (min)	10'
F Side lot line (min)	4'
G Rear / alley lot line (min)	4'

Proposed Language:

Graphics to be updated to reflect change to text.

4. BUILDING SETBACKS	<u>Sec. 2.10.5.</u>
D Primary street lot line (min/max)	10' / 20' or Existing Range
E Side street lot line (min)	10'
F Side lot line, detached (min)	4'
Side lot line, attached (min)	0'
G Rear / alley lot line (min)	4'

Section 34-2.2.3.A.4:

Existing Language:

4. BUILDING SETBACKS	<u>Sec. 2.10.5.</u>
D Primary street lot line (min/max)	10' / 20' or Existing Range
E Side street lot line (min)	10'
F Side lot line (min)	4'
G Rear / alley lot line (min)	4'

Proposed Language:

Graphics to be updated to reflect change to text.

4. BUILDING SETBACKS	<u>Sec. 2.10.5.</u>
D Primary street lot line (min/max)	10' / 20' or Existing Range
E Side street lot line (min)	10'
F Side lot line, detached (min)	4'
Side lot line, attached (min)	0'
G Rear / alley lot line (min)	4'

Section 34-2.2.4.A.4

Existing Language:

4. BUILDING SETBACKS	<u>Sec. 2.10.5.</u>
E Primary street lot line (min/max)	10' / 20' or Existing Range
F Side street lot line (min/max)	5' / 20'
G Side lot line (min)	4'
H Rear / alley lot line (min)	4'

Proposed language:

Graphics to be updated to reflect change to text.

4. BUILDING SETBACKS	<u>Sec. 2.10.5.</u>
E Primary street lot line (min/max)	10' / 20' or Existing Range
F Side street lot line (min/max)	5' / 20'
G Side lot line, detached (min)	4'
Side lot line, attached (min)	0'
H Rear / alley lot line (min)	4'

Section 34-2.2.5.A.4

Existing language:

4. BUILDING SETBACKS	<u>Sec. 2.10.5.</u>
Ⓔ Primary street lot line (min/max)	10' / 20' or Existing Range
Ⓕ Side street lot line (min/max)	5' / 20'
Ⓖ Side lot line (min)	4'
Ⓗ Rear / alley lot line (min)	4'

Proposed language:

Graphics to be updated to reflect change to text.

4. BUILDING SETBACKS	<u>Sec. 2.10.5.</u>
Ⓔ Primary street lot line (min/max)	10' / 20' or Existing Range
Ⓕ Side street lot line (min/max)	5' / 20'
Ⓖ Side lot line, detached (min)	4'
Side lot line, attached (min)	0'
Ⓗ Rear / alley lot line (min)	4'

Section 34-2.10.5.C

Existing Language:

No existing language.

Proposed Language:

New Section 34-2.10.5.C.4

C. Standards

4. Side lot line, Detached/Attached

When Side Lot Line, Attached is permitted by the Zoning district, buildings within the project site are permitted a zero setback when attached to an adjacent building within the same project site. Any buildings side not attached within the project site must conform to the Side Lot Line, Detached minimum requirement for that Zoning district.

Section 34-4.10.1.B

Page: 4-80

Existing language:

B. Applicability

[...]

2. Where the Administrator determines that there is no reasonable alternative location or alignment, and that the applicant has identified protective and restorative measures, the following are exempt from the requirements of this Section:

- a. Driveways;
- b. Public utility lines and appurtenances;
- c. Stormwater management facilities;
- d. Other public facilities necessary to allow the use of the parcel; and
- e. Environmental restoration projects.

Proposed language:

3. Any structure which was lawfully in existence prior to the effective date of these critical slopes provisions, and which is nonconforming solely on the basis of the requirements of these provisions, may be expanded, enlarged, extended, modified and/or reconstructed as though such structure were a conforming structure. For the purposes of this section, the term "lawfully in existence" must also apply to any structure for which a site plan was approved or a building permit was issued prior to the effective date of these provisions, provided such plan or permit has not expired.

4. Any lot or parcel of record which was lawfully a lot of record on the effective date of this chapter must be exempt from the requirements of these critical slopes provisions for the establishment of the first dwelling unit on such lot or parcel.

Sections 34-2.10.13.A.2

Pages 2-148

Existing language:

Applicability

- a Street-facing entry spacing requirements apply to all ground story street-facing facades.
- b The maximum street-facing entry spacing requirements must be met for each building and abutting buildings on a lot or within a project site, but are not applicable to buildings unrelated to the project.
- c Accessory structures do not have to provide a street-facing entry, and are not included in the calculation of maximum street-facing entry spacing requirement.
- d Lots with 1 dwelling unit do not have to provide street-facing entries.

Proposed language:

- a Street-facing entry spacing requirements apply to all ground story street-facing facades.*

- b The maximum street-facing entry spacing requirements must be met for each building and abutting buildings on a lot or within a project site, but are not applicable to buildings unrelated to the project.*
- ~~*c Accessory structures do not have to provide a street-facing entry, and are not included in the calculation of maximum street-facing entry spacing requirement.*~~
- ~~*d A lot or subplot consisting of only 1 primary dwelling unit and no additional primary/principal uses is not required to provide a street-facing entry.*~~

Sections 34-3.5.1.A. – Sec. 34-3.5.1.C., Sec. 34-5.3.3. and Sec. 7.2

Pages 3-34, 5-62 and 7-11 – 7-21

Existing Language:

Div. 3.5. ACCESSORY USES AND STRUCTURES

3.5.1. General

A. Allowed Accessory Uses and Structures

The permitted use table in 3.2.2. Permitted Use Table establishes the allowed accessory uses and structures by district. Multiple accessory uses are allowed on a lot when the uses are all allowed in the district and the standards for all uses on the lot may be met.

B. Accessory Uses and Structures Not Listed

1. An accessory use or structure not specifically listed in 3.2.2. Permitted Use Table is not allowed unless the Administrator determines the use:
 - a. Is clearly incidental to and customarily found in connection with an allowed principal use;
 - b. Is subordinate to and serving an allowed principal use;
 - c. Is subordinate in area, extent and purpose to the principal use served; and
 - d. Is located on the same lot as the principal use served.
2. Electronic gaming cafes are prohibited as an accessory use.

C. Rules for All Accessory Uses and Structures

1. A permit is required for any accessory use or structure exceeding 256 square feet of gross floor area.
2. Accessory structures must comply with the dimensional requirements of the zoning district, unless listed as an allowed encroachment in 2.10.5. Building Setbacks.
3. No accessory use or structure is permitted on the lot until after the principal use or structure is approved.

Proposed Language:

Div. 3.5. ACCESSORY USES, BUILDINGS AND STRUCTURES

3.5.1. General

A. Allowed Accessory Uses and Structures

The permitted use table in 3.2.2. Permitted Use Table establishes the allowed accessory uses ~~and structures~~ by district. Multiple accessory uses are allowed on a lot when the uses are all allowed in the district and the standards for all uses on the lot may be met. *Accessory buildings and structures are allowable as provided in this Division.*

B. Rules for Accessory Uses ~~and Structures Not Listed~~

1. An accessory use ~~or structure~~ not specifically listed in 3.2.2. Permitted Use Table is not allowed unless the Administrator determines the use:
 - a. Is clearly incidental to and customarily found in connection with an allowed principal use;
 - b. Is subordinate to and serving an allowed principal use;
 - c. Is subordinate in area, extent and purpose to the principal use served; and
 - d. Is located on the same lot as the principal use served.
2. Electronic gaming cafes are prohibited as an accessory use.
3. No accessory use is permitted on a site until after the principal use is established.

C. Rules for Accessory ~~Uses and Buildings and Structures~~

~~1. — A permit is required for any accessory use or structure exceeding 256 square feet of gross floor area.~~

- ~~1.2.~~ Accessory **buildings and** structures must comply with the dimensional requirements of the zoning district, unless listed as an allowed encroachment in 2.10.5. Building Setbacks.
- ~~2.3.~~ No accessory **use building** or structure is permitted on the ~~lot~~ **site** until after the principal use or structure is approved.
3. *No accessory building or structure may be used for dwelling purposes.*
4. *Accessory buildings and structures are not exempt from Building Code requirements.*

Existing Language:

Sec. 5.3.3 NONCONFORMING BUILDINGS AND STRUCTURES

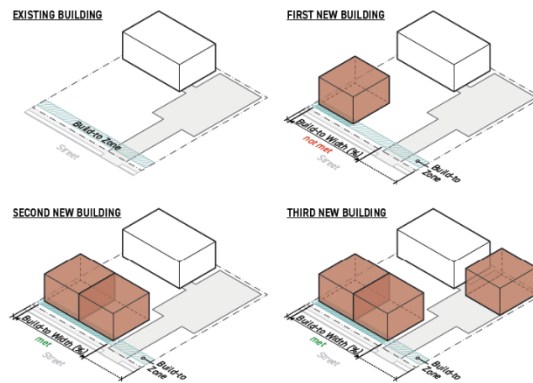
5.3.3.C. Nonconforming Build-To Requirement

When an existing building is being expanded or a new building is being constructed, and the building or lot does not meet the build-to width requirement, the following provisions apply:

1. New Buildings on an Interior Lot

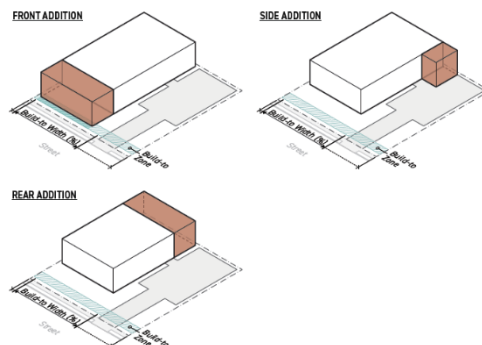
All new construction buildings or structures must occupy the build-to zone until the build-to width requirement has been met. Until all build-to width standards have been

met, new buildings must occupy the build-to zone for their entire building width.



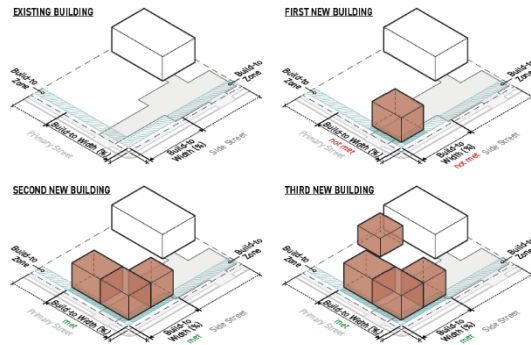
2. Additions on an Interior Lot

- a. Any additions to the front of an existing building must occupy the build-to zone. The addition does not have to meet the required build-to width for the entire lot. Front additions with a maximum floor area of 10% of the existing building footprint are allowed behind the build-to zone.
- b. Side additions having a floor area less than 20% of the existing building footprint are allowed. Once the build-to width standard has been met, side additions of any size are allowed.
- c. Rear additions of any size are allowed. Transition setbacks may apply, see Div. 4.7. Transitions and Screening.



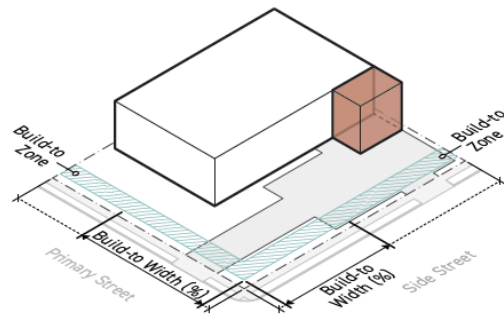
3. New Buildings on a Corner Lot

- a. All new buildings must occupy the build-to zone until the build-to width requirement for both streets have been met.
- b. Once the build-to width requirement has been met for both streets, new buildings may be placed behind the build-to zone.

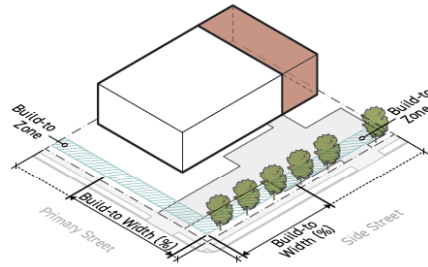


4. Additions on a Corner Lot

- a. Any addition to the front of an existing building must be located within the build-to zone on the primary street. The addition does not have to meet the minimum build-to width for the entire lot. Front additions with floor area no greater than 10% of the existing building footprint are allowed behind the build-to zone.
- b. Side additions with floor area no greater than 20% of the existing building footprint are allowed. Once the build-to width standard has been met for both streets, side additions of any size are allowed.



- c. Rear additions of any size, located behind the build-to zone, are allowed provided:
 - i. A landscape area at least 6 feet wide adjacent to the side street lot line is installed across the entire length of the side street frontage. Breaks for pedestrian, bicycle, and vehicular access of the minimum practical width are allowed.
 - ii. The landscape area must include medium or large trees planted an average of 30 feet on center along the entire landscape area.



iii. Trees should be planted offset from street trees to maximize space for canopy growth.

iv. All landscaping must meet the applicable standards of Div. 4.9. Landscaping.

Proposed Language:

Sec. 5.3.3 NONCONFORMING BUILDINGS AND STRUCTURES

5.3.3.C. Nonconforming Build-To Requirement

When an existing building is being expanded or a new building is being constructed, and the building or lot does not meet the build-to width requirement, the following provisions apply:

1. New *Primary* Buildings on an Interior Lot

*All new ~~construction primary~~ buildings ~~or structures~~ must occupy the build-to zone until the build-to width requirement has been met. Until all build-to width standards have been met, all new *primary* buildings must occupy the build-to zone for their entire building width.*

GRAPHIC TO REMAIN

2. Additions on an Interior Lot

- a. Any additions to the front of an existing *primary* building must occupy the build-to zone. The addition does not have to meet the required build-to width for the entire lot. Front additions with a maximum floor area of 10% of the existing building footprint are allowed behind the build-to zone.*
- b. Side additions having a floor area less than 20% of the existing primary building footprint are allowed. Once the build-to width standards are met, side additions of any size are allowed.*
- c. Rear additions of any size are allowed. Transition setbacks may apply, see Div. 4.7. Transitions and Screening.*

GRAPHIC TO REMAIN

3. New *Primary* Buildings on a Corner Lot

- a. All new *primary* buildings must occupy the build-to zone until the build-to width requirement for both streets have been met.*

- b. *Once the build-to width requirement has been met for both streets, new primary buildings may be placed behind the build-to zone.*

GRAPHIC TO REMAIN

4. Additions to Primary Buildings on a Corner Lot

- a. *Any addition to the front of an existing primary building must be located within the build-to zone on the primary street. The addition does not have to meet the minimum build-to width for the entire lot. Front additions with floor area no greater than 10% of the existing primary building footprint are allowed behind the build-to zone.*
- b. *Side additions with floor area no greater than 20% of the existing primary building footprint are allowed. Once the build-to width standard has been met for both streets, side additions of any size are allowed.*

GRAPHIC TO REMAIN

- c. *Rear additions of any size, located behind the build-to zone, are allowed provided:*
 - i. *A landscape area at least 6 feet wide adjacent to the side street lot line is installed across the entire length of the side street frontage. Breaks for pedestrian, bicycle, and vehicular access of the minimum practical width are allowed.*
 - ii. *The landscape area must include medium or large trees planted an average of 30 feet on center along the entire landscape area.*

GRAPHIC TO REMAIN

- iii. *Trees should be planted offset from street trees to maximize space for canopy growth.*
- iv. *All landscaping must meet the applicable standards of Div. 4.9. Landscaping.*

5. Exceptions

- a. *On any lot with an established Primary Building(s), Accessory Building(s) and structure(s) are permitted without first requiring the Primary Building(s) to meet the build-to width requirement. This exception only applies to lots and not sites.*

Existing Language

Definitions: Div. 7.2

Building. A covered and enclosed structure, either temporary or permanent, intended for human occupation or shelter of animals or property of any kind.

Building, accessory. A building or structure subordinate to the principal structure on a lot and used for purposes incidental to the principal building or structure located on the same lot.

Building, primary. The building occupied or designated for the primary use.

Structure. Any constructed object more than 30 inches in height.

Proposed Language:

Definitions: Div. 7.2

Building. A covered and enclosed structure, either temporary or permanent, intended for human occupation or shelter of animals or property of any kind.

Building, accessory. A building subordinate to the **primary building(s)** on a lot **or site** and used for purposes incidental to the **primary building** located on the same **lot or site**. **An accessory building may not be utilized for dwelling purposes.**

Building, primary. The building or buildings occupied or designated for the primary/principal use on a lot or site.

Structure: ~~Any constructed object more than 30 inches in height~~ A constructed or erected object that is permanently or temporarily located on the ground or attached to something having a permanent location on the ground, and which is intended to support, shelter, or enclose persons, animals, or property. This includes buildings and similar improvements, but does not include flatwork such as patios, sidewalks, driveways, or other at-grade surfaces not intended for enclosure or occupancy.

Sections 34-2.5.2.B.4, 2.5.3.B.4, 2.5.4.B.4, 2.5.5.B.4, 2.5.6.B.4

Pages 2-33, 2-35, 2-37, 2-39, 2-41

Existing language:

	Primary St.	Side St.
4. TRANSPARENCY	<i>Sec. 2.10.12.</i>	
H Ground story (min)		
Primary street	70%	35%
Side street	50%	35%

Proposed language:

Primary St. Side St.

4. TRANSPARENCY

Sec. 2.10.12.

H Ground story (min)

70%

35%

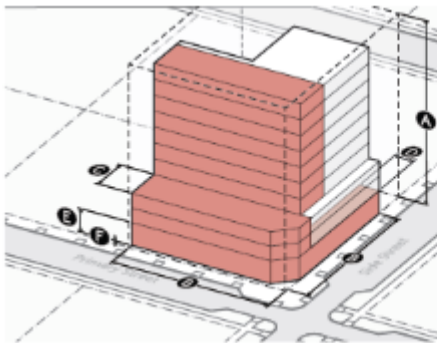
Primary street — 70% — 35%

Side street — 50% — 35%

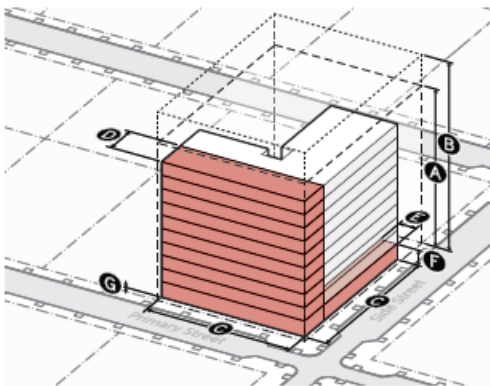
Section 34-2.5.6.B

Page 2-41

Existing Language/Graphic



Proposed Language/Graphic



Update DX graphic to remove the stepback; implies the stepback is required. It also is implying an additional 30' and 15' of active depth is required (shaded in red).

Sections 34-2.10.5.D

Pages 2-114

Existing language:

- 3 Primary street setback is measured from the primary street lot line.
- 4 Side street setback is measured from the side street lot line.

- 5 Rear setback is measured from the rear lot line
 - a. For determining the rear setback for a triangular or gore-shaped lot, the rear lot line is measured from a 10-foot wide line, parallel to the primary street lot line that intersects two side lots lines at its endpoints.
 - b. For instances where the primary street lot line is not straight, the rear lot line must be parallel to a line connecting the end points of the primary street lot line.

Proposed language:

- 3 *Primary street setback is measured from the primary street lot line.*
- 4 *Side street setback is measured from the side street lot line.*
- 5 *Rear setback is measured from the rear lot line*
 - a. *For determining the rear setback for a triangular or gore-shaped lot, the rear lot line is measured from a 10-foot wide line, parallel to the primary street lot line that intersects two side lots lines at its endpoints.*
 - b. *For instances where the primary street lot line is not straight, the rear lot line must be parallel to a line connecting the end points of the primary street lot line.*
- 6 *Side setback is measured from the side lot line.*

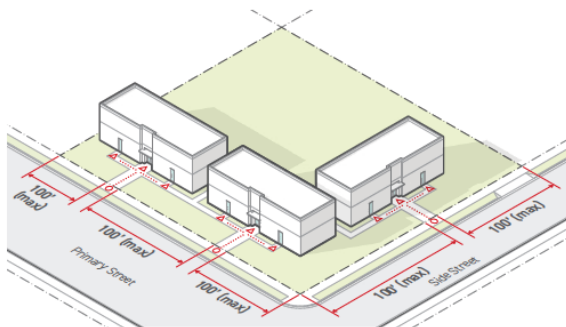
Sections 34-4.5.1.C

Pages 4-23

Existing language:

PEDESTRIAN ACCESS TYPE 2

Intended to ensure buildings are conveniently accessible from the public realm and to promote walking as a safe and convenient mobility option to improve connectivity through large sites.



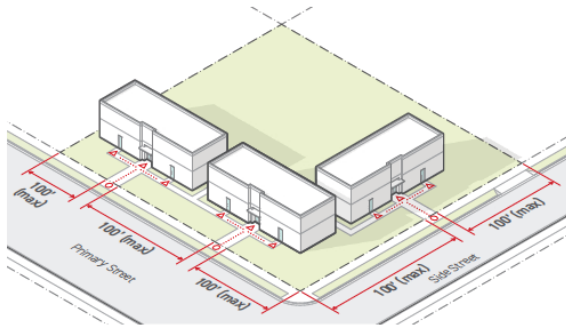
ACCESS STANDARDS

Pedestrian accessway type	Linked
Pedestrian accessway spacing (max)	100'
Distance from street intersection (max)	100'

Proposed language:

PEDESTRIAN ACCESS TYPE 2

Intended to ensure buildings are conveniently accessible from the public realm and to promote walking as a safe and convenient mobility option to improve connectivity through large sites.



ACCESS STANDARDS

Pedestrian accessway type *Linked*

Pedestrian accessway spacing (max) *100'*

Distance from street intersection (max) *100'*

*(For lots and developments not within
100' of an intersection, only Pedestrian
accessway spacing applies)*

Sections 34-4.2.2.C.3 and 34-4.2.2.C.4

Pages 4-8

Existing language

Section 34-4.2.2.C.3:

3. Unit Bonus in Residential Districts Standards

- a. In Residential A (R-A), Residential Core Neighborhood A (RN-A), Residential B (R-B), and Residential C (R-C) zoning districts, a project must provide 100% of all bonus units to households having a gross annual income at or below 80% AMI. Such affordable dwelling units must be income-restricted for a minimum of 30 years. Deed restrictions for affordable dwelling units must be recorded in the Charlottesville Land Records.
- b. When a project demonstrates the affordability goals of the Comprehensive Plan and Affordable Housing Plan and the intent of this Section are met, such as through reinvestment of resources in ongoing affordable housing, the Administrator may accept modifications to the requirements in 4.2.2.

- c. Projects in the Residential A (R-A) and Residential Core Neighborhood (RN-A) districts are exempt from the equivalency of units and concurrency requirements in 4.2.2.C. Standards.

Proposed language

Section 34-4.2.2.C.3:

3. Unit and Height Bonuses in Residential Districts Standards

- a. *In Residential A (R-A), Residential Core Neighborhood A (RN-A), Residential B (R-B), and Residential C (R-C) zoning districts, a project must provide 100% of all bonus units to households having a gross annual income at or below 80% AMI. Such affordable dwelling units must be income-restricted for a minimum of 30 years. Deed restrictions for affordable dwelling units must be recorded in the Charlottesville Land Records.*
- b. *When a project demonstrates the affordability goals of the Comprehensive Plan and Affordable Housing Plan and the intent of this Section are met, such as through reinvestment of resources in ongoing affordable housing, the Administrator may accept modifications to the requirements in 4.2.2.*
- c. *Projects in the Residential A (R-A) and Residential Core Neighborhood (RN-A) districts are exempt from the equivalency of units and concurrency requirements in 4.2.2.C. Standards.*
- d. *Projects in a Residential (R-) or Residential Neighborhood Core (RN-) district where a height bonus is permitted must provide at least one Affordable Dwelling Unit meeting the requirements above to apply the height bonus to the project.*

Existing language

Section 34-4.2.2.C.4:

4. Height Bonus in All Other Districts Standards

- a. *In any zoning district other than Residential A (R-A), Residential Core Neighborhood A (RNA), Residential B (R-B), and Residential C (R-C), a project must provide 10% of all residential units to households at or below 50% AMI or provide an in-lieu fee according to the formula described in the ADU Manual.*
- b. *To qualify for the bonus height, a project must have a residential use for a minimum of 40% of the total floor area.*

Proposed language

Section 34-4.2.2.C.4:

4. Height Bonus in All Other Districts Standards

- a. *In any zoning district other than Residential A (R-A), Residential Core Neighborhood A (RNA), Residential B (R-B), and Residential C (R-C), a project must provide 10% of all residential units to households at or below 50% AMI or provide an in-lieu fee according to the formula described in the ADU Manual.*

b. To qualify for the bonus height, a project must have a residential use for a minimum of 40% of the total floor area.

c. When a project qualifies for the bonus height per the requirements above, the bonus height may be applied to any building within the project.

Sections 34-4.4.5.D.2

Pages 4-20

Existing language:

D. Existing Streetscapes

1. In areas with predominant patterns of existing streetscapes that conflict with the requirements of this Division, where a project's primary or side street lot line is less than 100' in length, the Administrator may allow for streetscapes to be constructed to match existing clear walk zone and greenscape zone configurations.
2. Where existing streetscapes are determined to be in good condition by the Administrator, they may be used to comply with clear walk zone and greenscape zone requirements provided they comply with all standards in this Division.
3. In Residential (R-) zoning districts, when the project fronts on an existing street and adjacent property on either side of the project does not have an existing streetscape, the Administrator may allow the project developer to contribute to a streetscape fund, maintained and administered by the City, an amount equivalent to the cost of the dedication of land for and the construction of the streetscape on the property.

E. Exceptions

The Administrator may vary or waive streetscape requirements. A request to vary or waive the requirements of this Section must be made prior to or with the submittal of a Development Plan or Preliminary Plat. The request must include a written statement of the justification of the request. In reviewing a request, the Administrator must consider each of the following criteria that are applicable to the request:

1. Whether a surface other than concrete is more appropriate for the project because of the character of the proposed project and the surrounding neighborhood;
2. Whether sidewalks on only one side of the street may be appropriate due to environmental constraints such as streams, stream buffers, critical slopes, floodplain, tree cover, or wetlands, or because lots are provided on only one side of the street;

3. Whether the sidewalks can reasonably connect into an existing or future pedestrian system in the area;
4. Whether the length of the street is so short and the density of the project so low that it is unlikely that a sidewalk would be used to an extent that it would provide a public benefit;
5. Whether an alternate pedestrian system, including an alternative pavement, could provide more appropriate access through the project and to adjoining lots, based on a proposed alternative profile submitted by the project developer;
6. Whether the sidewalks would be publicly or privately maintained;
7. Whether the waiver promotes the goals of the Comprehensive Plan, including any applicable neighborhood plan; and
8. Whether waiving the requirement would enable a different principle of the neighborhood plan to be more fully achieved.

Proposed language:

Incorporate Existing Streetscapes into the Exception section.

D-E. Exceptions

The Administrator may vary or waive streetscape requirements. A request to vary or waive the requirements of this Section must be made prior to or with the submittal of a Development Plan or Preliminary Plat. The request must include a written statement of the justification of the request. In reviewing a request, the Administrator must consider each of the following criteria that are applicable to the request:

- 1. Whether a surface other than concrete is more appropriate for the project because of the character of the proposed project and the surrounding neighborhood;*
- 2. Whether sidewalks on only one side of the street may be appropriate due to environmental constraints such as streams, stream buffers, critical slopes, floodplain, tree cover, or wetlands, or because lots are provided on only one side of the street;*
- 3. Whether the sidewalks can reasonably connect into an existing or future pedestrian system in the area;*
- 4. Whether the length of the street is so short and the density of the project so low that it is unlikely that a sidewalk would be used to an extent that it would provide a public benefit;*

5. *Whether an alternate pedestrian system, including an alternative pavement, could provide more appropriate access through the project and to adjoining lots, based on a proposed alternative profile submitted by the project developer;*
6. *Whether the sidewalks would be publicly or privately maintained;*
7. *Whether the waiver promotes the goals of the Comprehensive Plan, including any applicable neighborhood plan; and*
8. *Whether waiving the requirement would enable a different principle of the neighborhood plan to be more fully achieved.*

9. Existing Streetscapes

- a. In areas with predominant patterns of existing streetscapes that conflict with the requirements of this Division, where a project's primary or side street lot line is less than 100' in length, the Administrator may allow for streetscapes to be constructed to match existing clear walk zone and greenscape zone configurations.*
- b. Where existing streetscapes are determined to be in good condition by the Administrator, they may be used to comply with clear walk zone and greenscape zone requirements. ~~provided they comply with all standards in this Division.~~*
- c. In Residential (R-) zoning districts, when the project fronts on an existing street and adjacent property on either side of the project does not have an existing streetscape, the Administrator may allow the project developer to contribute to a streetscape fund, maintained and administered by the City, an amount equivalent to the cost of the dedication of land for and the construction of the streetscape on the property.*

Sections 34-7.2

Pages 7-11

Existing language:

Active space. Any occupiable space designed and intended for living, sleeping, eating, or cooking. Restrooms, toilet rooms, closets, halls, storage or utility spaces, and similar areas are not considered active space.

Proposed language:

Active space. Any occupiable space designed and intended for *human activity such as living, working, commerce, sleeping, eating, or cooking as determined by the Administrator*. Restrooms, toilet rooms, closets, halls, storage or utility spaces, and similar areas are not considered active space.

Sections 34-.2.10.10.A.3.a

Pages 2-131

Existing language:

No building located on a lot may be wider than the maximum building width allowed by the zoning district.

Proposed language:

No building located on a lot may be wider than the maximum building width allowed by the zoning district.

- i. If a single building spans multiple zoning districts, the more restrictive Building Width applies to the entirety of the building.*

Sections 34-4.9.1.D.1.a

Pages 4-75

Existing language:

All projects must include provisions for the preservation and planting of trees on the site to the extent that, at 10 years from planting, minimum tree canopy cover will be provided as follows:

Zoning Districts	Percentage of Canopy Cover (min)
Residential All R – districts	20%
Residential Mixed Use All RX – districts	10%
Corridor Mixed Use All CX – districts	10%
Node Mixed Us All NX – districts DX	10% 10%
Industrial All IX – districts	10%
Special All special districts	15%

Proposed language:

*All projects must include provisions for the preservation and planting of trees on the site to the extent that, at **20** years from planting, minimum tree canopy cover will be provided as follows:*

<i>Zoning Districts</i>	<i>Percentage of Canopy Cover (min)</i>
<i>Residential</i>	

<i>All R and RN– districts</i>	<i>10%</i>
<i>Residential Mixed Use</i> <i>All RX – districts</i>	<i>10%</i>
<i>Corridor Mixed Use</i> <i>All CX – districts</i>	<i>10%</i>
<i>Node Mixed Us</i> <i>All NX – districts</i> <i>DX</i>	<i>10%</i> <i>10%</i>
<i>Industrial</i> <i>All IX – districts</i>	<i>10%</i>
<i>Special</i> <i>All special districts</i>	<i>15%</i>

Sections 34-4.8 Fences and Walls

Pages 4-70 to 4-75

Existing Language:

No existing language.

Proposed language:

C. Exceptions

1. Fences and Guardrails

- a. Any constructed vertical barrier of wood, masonry, wire, metal, or other manufactured material, or combination of materials erected to enclose, screen, or separate areas and not having a solid foundation, and with a maximum height of four (4') feet six (6") is not considered a Fence or Structure for the purposes of this division and is not required to follow the regulations set forth.*
- b. Any guardrails, railings, or barriers, which are required by Building code to prevent falls and ensure safety is not considered a Fence or Structure for the purposes of this division and is not required to follow the regulations set forth.*
- c. Any constructed vertical barrier of wood, masonry, wire, metal, or other manufactured material, or combination of materials erected to enclose, screen, or separate areas and not having a solid foundation, and required to separate areas for compliance with state regulations, such as those enforced by the Alcoholic Beverage Control (ABC) authority is not considered a Fence or Structure for the purposes of this division and is not required to follow the regulations set forth.*

Sections 34-4.12.3.B.3

Pages 4-104

Existing language:

3. Lighting must not trespass onto adjacent properties, sidewalks, or rights-of-way and the footcandles at the property line must be no more than 0.5.

Proposed language:

3. *Lighting must not trespass onto adjacent properties, ~~and~~ sidewalks ~~not within the proposed development~~, or rights-of-way and the footcandles at the property line must be no more than 0.5.*

Sections 34- 4.10.1.C

Pages 4-80

Existing language:

C. Standards

1. No buildings, structures, or other improvements are permitted in the part of a project site with a grade of 25% or greater.
2. No land disturbance is permitted in the part of a project site with a grade of 25% or greater.

Proposed language:

C. Standards

1. *No buildings, structures, or other improvements are permitted in the part of a project site with ~~in critical slope areas a grade of 25% or greater~~.*
2. *No land disturbance is permitted in the part of a project site with ~~in critical slope areas a grade of 25% or greater~~.*

Section 34-5.2.9

Page: 5-37

Existing language:

5.2.9. Development Review

A. Applicability

1. Development Review applies to any of the following project activities:
 - a. New construction;
 - b. Addition;
 - c. Site modification; and
 - d. Some changes of use.
2. Development Review is not required for a change of use provided that:

- a. No additional site access, or alteration of existing site access is recommended by the City, based on intensification of use; and
- b. No additional site access, or alteration of existing site access is proposed.
- 3. Projects not requiring Development Review may require a Building Permit.

B. Application Requirements

1. Pre-Application Conference

Before submitting a Development Review application, an applicant must schedule a pre-application conference with the Administrator to discuss the procedures, standards, and regulations required for approval. This requirement may be waived at the discretion of the Administrator.

2. Application Submittal

- a. The required documents and drawings for Development Review are contained in the Development Review Administration Manual.
- b. Following the pre-application conference, an applicant may start the application process. To begin, a complete application form, required plans, and review fees must be filed with the Administrator. Other general submittal requirements for all applications are listed in *5.2.1. Common Review Procedures*.

C. General Development Review Process

- 1. Development Review consists of two separate approvals, a Development Plan and Final Site Plan. A Development Plan and Final Site Plan are required for all projects that require Development Review.
- 2. Development Plans and Final Site Plans may be reviewed simultaneously or may be phased. An applicant may choose to apply for Development Plan approval and engineering approval, and then apply for Final Site Plan approval and building approval in order to start building construction. Development Plan and Final Site Plan reviews include the requirements of this Development Code, and engineering and building reviews include requirements of separate Chapters of the City of Charlottesville Code and the Standards and Design Manual.
- 3. Anything regulated by this Development Code will be reviewed for compliance by the Administrator, with additional review by other City Departments.

D. Development Plan Review

1. Review and Decision Process

a. Administrator Decision

- i. Once the Administrator determines the application is complete, the Administrator will notify the Planning Commission of the application and review the application against the requirements of this Development Code and other applicable technical requirements of the City.

- ii. In reviewing the application, the Administrator will distribute the application for consultation and review by other City Departments.
- iii. When the property is within an ADC District, HC District, or an Individually Protected Property, a Certificate of Appropriateness may also be required. See *5.2.7. Major Historic Review* and *5.2.7. Major Historic Review*.
- iv. If, after the internal review, the Administrator finds that the application does not meet all requirements of this Development Code, the Administrator will notify the applicant of the specific provisions that have not been met and offer the applicant the opportunity to amend the Development Plan.
- v. Following review, the Administrator will approve, approve with conditions that bring the application into conformance with this Development Code and other technical requirements of the City, or deny the application.

b. Planning Commission Decision

- i. The Planning Commission will take action on a Development Plan when:
 - a) The Administrator refers the application to the Planning Commission for review;
 - b) Two or more members of the Planning Commission request to review the application; or
 - c) The application is the subject of an appeal from a decision by the Administrator, as allowed by this Section.
- ii. When the Planning Commission takes action on a Development Plan, the Administrator will review the application and provide a staff report and recommendation to the Planning Commission in advance of the meeting. Prior to the preparation of the staff report, other City staff may make recommendations to the Administrator to include in the staff report.

2. Action After Decision

a. Appeal of Administrative Decision

- i. The applicant may appeal the failure of the Administrator or Planning Commission to either approve or deny the application to the Circuit Court in accordance with the *Code of Virginia § 15.2-2259*.
- ii. The applicant may appeal the denial of the application by the Administrator or Planning Commission to the Board of Zoning Appeals within 30 days after the denial in accordance with the *Code of Virginia § 15.2-2309*.

b. Expiration of a Development Plan

Once a Development Plan is approved, it is valid for a period of 5 years, as specified in the *Code of Virginia § 15.2-2260*.

E. Engineering Review

1. Review and Decision Process

- a. Upon approval of a Development Plan, applications for review and approval of infrastructure permits required by separate Chapters of the City of Charlottesville Code and the Standards and Design Manual may be prepared and submitted.

b. The Administrator will not sign any Final Site Plan, unless and until final plans and approvals required by the City Code of Ordinances Chapter 10, Water Protection have been obtained.

F. Final Site Plan Review

1. Review and Decision Process

a. Administrator Decision

i. The Administrator will review the Final Site Plan for compliance with the requirements of this Development Code in effect at the time of Development Plan approval, except as authorized by *Code of Virginia § 15.2-2261*. The Administrator must make a good faith effort to identify all deficiencies, if any, during the review of the initial Final Site Plan submittal. The Administrator must consider the recommendations and determinations made by the plan reviewers.

ii. If the Administrator determines that the Final Site Plan complies with the requirements of this Development Code and that all conditions of approval of the Development Plan have been satisfied, the Administrator will sign the Final Site Plan.

iii. If the Administrator determines that the Final Site Plan does not comply with all requirements of this Development Code or that all conditions of approval of the Development Plan have not been satisfied, the Final Site Plan will be denied and the Administrator will promptly inform the project developer of the denial by issuing a notice of denial to the project developer.

2. Action After Decision

a. Permits for Construction

Upon approval of a Final Site Plan, any applicable permits for construction required by the City Code of Ordinances Chapter 5, Building Regulations; Property Maintenance may be prepared and submitted.

b. Appeal of Administrative Decision

i. The applicant may appeal the failure of the Administrator to either approve or deny the application to the Circuit Court in accordance with the *Code of Virginia § 15.2-2259*.

ii. The applicant may appeal the denial of the application by the Administrator to the Board of Zoning Appeals within 30 days after the denial in accordance with the *Code of Virginia § 15.2-2309*.

c. Revisions to an Approved Development Plan or Final Site Plan

i. Minor revisions to an approved Development Plan or Final Site Plan may be approved by the Administrator. The following revisions are considered minor:

a) Up to 10% increase in the gross floor area of a single building;

b) Any decrease in gross floor area of a single building;

c) Up to 10% reduction in the approved setbacks from street or common lot lines; and

d) Relocation of parking areas, internal driveways or structures where relocation occurs more than 100 feet from street or common lot lines.

ii. All other changes to an approved Development Plan or Final Site Plan must be resubmitted as a new application.

3. Expiration of Final Site Plan

a. An approved Final Site Plan will be valid for 5 years from the date of approval, or for a longer period determined by the Administrator at the time of approval, taking into consideration the size and phasing of the proposed project. A Final Site Plan will be deemed final once it has been reviewed and approved, where the only requirement remaining to be satisfied in order to obtain a building permit is the posting of required bonds and escrows.

b. Upon application filed prior to expiration of a Final Site Plan, the Administrator, may grant an extension of such approval, taking into consideration the size and phasing of the proposed site and the laws, ordinances, and regulations in effect at the time of the request for an extension.

Proposed language:

5.2.9. Development Review

A. Applicability

1. Development Review applies to any of the following project activities:

- a. New construction;***
- b. Addition;***
- c. Site modification; and***
- d. Some changes of use.***

2. Development Review is not required for the following project activities:

a. New construction or addition activities for any project with no public improvements except Streetscape improvements per Article 4 Development Standards, no more than two new dwelling units (Household Living), and no other principal uses proposed.

b. Site modification activities for any project with no new construction or addition activities and no public improvements except Streetscape improvements per Article 4 Development Standards and:

i. In a Residential (R-) or (RN-) district; or

ii. Proposing no modification to site elements regulated by Division 4.5 Access and Parking, Division 4.6 Utilities, Division 4.7 Transitions and Screenings, Division 4.12 Outdoor Lighting, and Section 34-2.10.4.C Outdoor Amenity Space.

c. Development Review is not required for a change of use provided that:

i. No additional site access, or alteration of existing site access is recommended by the City, based on intensification of use; and

ii. No additional site access, or alteration of existing site access is proposed.

3. Projects not requiring Development Review may require a Building Permit.

B. Application Requirements

1. Pre-Application Conference

Before submitting a Development Review application, an applicant must schedule a pre-application conference with the Administrator to discuss the procedures, standards, and regulations required for approval. This requirement may be waived at the discretion of the Administrator.

C. General Development Review Process

1. Development Review consists of two separate approvals, a Development Plan and Final Site Plan. A Development Plan and Final Site Plan are required for all projects that require Development Review.

2. Development Plans and Final Site Plans may be reviewed *independently or simultaneously* ~~or may be phased. An applicant may choose to apply for Development Plan approval and engineering approval, and then apply for Final Site Plan approval and building permit approval in order to start building construction. Development Plan and Final Site Plan reviews~~ include the requirements of this Development Code, and ~~the engineering and building reviews include~~ requirements of separate Chapters of the City of Charlottesville Code and the Standards and Design Manual.

3. Anything regulated by this Development Code will be reviewed for compliance by the Administrator, with additional review by other City Departments.

D. Development Plan Review

1. Review and Decision Process

a. Administrator Decision

i. Once the Administrator determines the application is complete, the Administrator will ~~notify the Planning Commission of the application and~~ review the application against the requirements of this Development Code and other applicable technical requirements of the City.

~~ii. In reviewing the application, the Administrator will distribute the application for consultation and review by other City Departments.~~

iii. When the property is within an ADC District, HC District, *EC District*, or an Individually Protected Property, a Certificate of Appropriateness may also be required. See 5.2.67. ~~Major Minor~~ Historic Review, ~~and~~ 5.2.7. Major Historic Review, ~~and~~ 5.2.8 Corridor Review.

iv. If, after ~~the internal~~ review, the Administrator finds that the application does not meet all requirements of this Development Code, the Administrator will notify the applicant of the specific provisions that have not been met and offer the applicant the opportunity to amend the Development Plan.

v. Following review, the Administrator will approve, approve with conditions that bring the application into conformance with this Development Code and other technical

requirements of the City, or deny the application.

~~*b. Planning Commission Decision*~~

~~*i. The Planning Commission will take action on a Development Plan when:*~~

~~*a) The Administrator refers the application to the Planning Commission for review;*~~

~~*b) Two or more members of the Planning Commission request to review the application;*~~

~~*or*~~

~~*c) The application is the subject of an appeal from a decision by the Administrator, as allowed by this Section.*~~

~~*ii. When the Planning Commission takes action on a Development Plan, the Administrator will review the application and provide a staff report and recommendation to the Planning Commission in advance of the meeting. Prior to the preparation of the staff report, other City staff may make recommendations to the Administrator to include in the staff report.*~~

2. Action After Decision

a. Appeal of Administrative Decision

i. The applicant may appeal the failure of the Administrator ~~or Planning Commission~~ to either approve or deny the application to the Circuit Court in accordance with the Code of Virginia § 15.2-2259.

ii. The applicant may appeal the denial of the application by the Administrator ~~or Planning Commission~~ to the Board of Zoning Appeals within 30 days after the denial in accordance with the Code of Virginia § 15.2-2309.

b. Expiration of a Development Plan

Once a Development Plan is approved, it is valid for a period of 5 years, as specified in the Code of Virginia § 15.2-2260.

~~*34-5.2.9.E. Engineering Review*~~

~~*1. Review and Decision Process*~~

~~*a. Upon approval of a Development Plan, applications for review and approval of infrastructure permits required by separate Chapters of the City of Charlottesville Code and the Standards and Design Manual may be prepared and submitted.*~~

~~*b. The Administrator will not sign any Final Site Plan, unless and until final plans and approvals required by the City Code of Ordinances Chapter 10, Water Protection have been obtained.*~~

~~*EE. Final Site Plan Review*~~

~~*1. Review and Decision Process*~~

~~*a. Administrator Decision*~~

~~*i. The Administrator will review the Final Site Plan for compliance with the requirements of this Development Code in effect at the time of Development Plan approval, except as authorized by Code of Virginia § 15.2-2261. The Administrator must make a good faith effort to identify all deficiencies, if any, during the review of the initial Final Site Plan*~~

submittal. *The City Engineer will review the Final Site Plan for compliance with the engineering requirements of separate Chapters of the City of Charlottesville Code and the Standards and Design Manual. The Administrator and City Engineer must consider the recommendations and determinations made by the plan reviewers.*

ii. If the Administrator determines that the Final Site Plan complies with the requirements of

this Development Code and that all conditions of approval of the Development Plan have been satisfied, and the City Engineer determines that the Final Site Plan complies with all engineering requirements of separate Chapters of the City of Charlottesville Code and Standards and Design Manual, the Administrator will ~~sign~~ approve the Final Site Plan.

iii. If the Administrator determines that the Final Site Plan does not comply with all requirements of this Development Code or that all conditions of approval of the Development Plan have not been satisfied, or if the City Engineer determines that the Final Site Plan does not comply with all engineering requirements of separate Chapters of the City of Charlottesville Code and Standards and Design Manual, the Final Site Plan will be denied and the Administrator will promptly inform the project developer of the denial by issuing a notice of denial to the project developer.

2. Action After Decision

a. Permits for Construction

Upon approval of a Final Site Plan, any applicable permits for construction required by the City Code of Ordinances Chapter 5, Building Regulations; Property Maintenance and City Code of Ordinances Chapter 10, Water Protection may be prepared and submitted.

b. Appeal of Administrative Decision

i. The applicant may appeal the failure of the Administrator to either approve or deny the application to the Circuit Court in accordance with the Code of Virginia § 15.2-2259.

ii. The applicant may appeal the denial of the application by the Administrator to the Board of Zoning Appeals within 30 days after the denial in accordance with the Code of Virginia § 15.2-2309.

c. Revisions to an Approved Development Plan or Final Site Plan

i. Minor revisions to an approved Development Plan or Final Site Plan may be approved by the Administrator. The following revisions are considered minor:

a) Up to 10% increase in the gross floor area of a single building;

b) Any decrease in gross floor area of a single building;

c) Up to 10% reduction in the approved setbacks from street or common lot lines; and

d) Relocation of parking areas, internal driveways or structures where relocation occurs more than 100 feet from street or common lot lines.

ii. All other changes to an approved Development Plan or Final Site Plan must be resubmitted as a new application.

3. Expiration of Final Site Plan

a. An approved Final Site Plan will be valid for 5 years from the date of approval, or for a longer period determined by the Administrator at the time of approval, taking into consideration the size and phasing of the proposed project. A Final Site Plan will be deemed final once it has been reviewed and approved, where the only requirement remaining to be satisfied in order to obtain a building permit is the posting of required bonds and escrows.

b. Upon application filed prior to expiration of a Final Site Plan, the Administrator, may grant an extension of such approval, taking into consideration the size and phasing of the proposed site and the laws, ordinances, and regulations in effect at the time of the request for an extension.

Sections 34-.2.2.2.B.1.A, 2.2.3.B.1.A, 2.2.4.B.1.A, and 2.2.5.B.1.A

Pages 2-9, 2-11, 2-13, 2-15

Building Height

Existing language: (page 2-9)

Building height (max stories/feet)

1 unit 2.5 / 35'

More than 1 unit 3 / 40'

Proposed language: (page 2-9)

Building height (max feet)

1 unit 35'

More than 1 unit 40'

Existing language: (page 2-11)

Building height (max stories/feet) 2.5 / 35'

Proposed language: (page 2-11)

Building height (max feet) 35'

Existing language: (page 2-13)

Building height (max stories/feet)

1 unit 2.5 / 35'

More than 1 unit 3 / 40'

Proposed language: (2-13)

Building height (max feet)

1 unit 35'

More than 1 unit 40'

Existing language: (page 2-15)

Building height (max stories/feet)

Base 3.5 / 40'

Bonus: Affordable Dwelling Unit 4 / 52'

Proposed language:

Building height (max feet)

Base 40'

Bonus: Affordable Dwelling Unit 52'

Sections 34-2.10.10.B.2

Pages 2-133

Existing language:

Applicability

- a Active depth standards apply to the portions of a building used to meet the minimum build-to width requirement. See 2.10.6. *Build-To*.
- b On primary streets, the active depth applies to all stories.
- c On side streets, the active depth requirement applies to the ground story only.
- d Lots with 1 dwelling unit do not have to meet the active depth requirements

Proposed language:

- a Active depth standards apply to the portions of a building used to meet the minimum build-to width requirement. See 2.10.6. Build-To.*
- b On primary streets, the active depth applies to all stories.*
- c On side streets, the active depth requirement applies to the ground story only.*
- d A Primary Building on a lot or subplot consisting of a maximum of only 1 dwelling unit and no additional primary/principal uses does not have to meet the active depth requirements.*

Sections 34-2.10.5.D.1

Pages 2-113

Existing language:

Measurement

- 1. All building setbacks are measured perpendicular to the applicable lot line.
- 2. Where a lot line abuts an access easement, the Administrator will determine whether the setback may be measured from the interior edge of the access easement rather than the lot line.

Proposed language:

Measurement

- 1. All building setbacks are measured perpendicular to the applicable lot line.*
- 2. Where ~~a lot line abuts an access a required easement would prevent standard setbacks~~, the Administrator will determine whether the setback may be measured from the interior edge of the easement rather than the lot line.*

Sections 34-.2.10.5.3.B & 2.10.6.A.2

Pages 2-112 & 2-117

Existing language:

No existing language.

Proposed language:

2.10.5. Building Setbacks

B. Applicability

3. When permitted by the Zoning District, a project eligible for the Existing Structure Preservation Bonus for density will be deemed to comply with the Building Setback requirements.

2.10.6 Build-To

A.2

e. When permitted by the Zoning District, a project utilizing the Existing Structure Preservation Bonus for density will be deemed to comply with the Build-To requirements.

Sections 34- 2.10.6.A.2

Pages 2-117

Existing language:

2. Applicability

- a. The build-to width applies to all lots.
- b. The build-to width requirements apply to the ground story of the building only. The ground story is determined according to *2.10.9. Height*.
- c. Where sublots are permitted, build-to width is calculated for each lot, not individual sublots.
- d. For through lots, the Administrator may waive or vary the build-to width requirement for one of the street lot lines. The Administrator will consider the following standards when making the decision to waive or vary the requirement for one street lot line:
 - i. The proposed number and arrangement of units on the lot to determine if meeting the build-to width requirement is practical for all street lot lines; and
 - ii. The prevailing pattern of development on the surrounding parcels to determine which street must meet the build-to requirement and which street can waive or vary the requirement.

Proposed language:

2. Applicability

- a. The build-to width applies to all lots.*
- b. The build-to width requirements apply to the ground story of the building only. The ground story is determined according to 2.10.9. Height.*
- c. Where sublots are permitted, build-to width is calculated for each lot, not individual sublots.*
- d. For through lots, the Administrator may waive or vary the build-to width requirement for one of the street lot lines. The Administrator will consider the following standards when making the decision to waive or vary the requirement for one street lot line:*
 - i. The proposed number and arrangement of units on the lot to determine if meeting the build-to width requirement is practical for all street lot lines; and*
 - ii. The prevailing pattern of development on the surrounding parcels to determine which street must meet the build-to requirement and which street can waive or vary the requirement.*
- e. For lots with existing easements that would prevent complying with the required build-to width set by the Zoning district, the Administrator will determine an appropriate build-to width based on the restraints of the existing conditions.*

Sections 34-4.2.1.B

Existing language:

B. Standards

1. To be considered an existing structure, a project must maintain the primary street-facing building facade and the exterior building envelope for a minimum distance of 25 feet behind the primary street-facing building facade. Interior reconfiguration in this area is permitted.
2. A project must maintain any existing entry features, such as a porch, raised entry, or forecourt.
3. Minor modifications to the exterior building envelope or entry features for repair or reconstruction are allowed when the modifications are the same or substantially similar to the design of the original structure, as determined by the Administrator.

Proposed language:

1. To be considered an existing structure *the building must have been constructed and occupied prior to the adoption of this code (December 18, 2023), and the lot must maintain the primary street-facing building facade and the exterior building envelope for a minimum distance of 25 feet behind the primary street-facing building facade. Interior reconfiguration in this area is permitted.*
2. A project must maintain any existing entry features, such as a porch, raised entry, or forecourt.
3. Minor modifications to the exterior building envelope or entry features for repair or reconstruction are allowed when the modifications are the same or substantially similar to the design of the original structure, as determined by the Administrator.



**City Council
Public Hearing
Tier 1 and 2 Development Code
Amendments**

February 17, 2026

Development Code Amendments: Background

- **The Current Development Code was Adopted on December 18, 2023** – Designed to facilitate a more form-based zoning ordinance, increasing density in alignment with the 2021 Comprehensive Plan.
- **Need for Amendments** – Staff identified both minor and significant issues requiring revisions to better support City goals.
- **Three-Tier Approach:**
 - **Tier 1** – Minor grammatical corrections, small adjustments, and state requirements.
 - **Tier 2** – Modifications addressing oversights and clarifications to support the Intent sections of the code.
 - **Tier 3** – Policy changes requiring in-depth analysis and community engagement.
- **Next Steps:**
 - **Tier 1 & 2** – Advancing to Public Hearing with Planning Commission January 13, 2026, then a Public Hearing with City Council later in the winter of 2026.
 - **Tier 3** – Considered in the broader FY26 NDS workplan and beyond.
- **Ongoing Process** – Annual updates for Tier 1 & 2 to ensure adaptability, best practices, and sustainable growth.

Tier 1 Amendments

- **Staff is proposing sixty-three (63) Amendments**
- **Purpose** – Addresses copy editing issues, missing text, and small refinements to accurately reflect the intended intent of the Development Code.
- **Legislative Updates** – Incorporates recent actions passed by the Virginia General Assembly to ensure compliance.
- **Scope** – Primarily technical corrections and minor adjustments, ensuring clarity and consistency without altering policy direction.
- **Process** – Tonight's Public Hearing is the culmination of nearly 12-months of work by staff and the Planning Commission.
- **Annual Initiative** – Establishing regular updates to maintain accuracy and alignment with evolving legislative and regulatory standards.

Tier 1 Amendment Examples

Page	Section	Existing Language or Issue	Proposed Language
4-10	4.3.2.B.1.A	“...Administrator may allow once side of a block...”	“...Administrator may allow one side of a block...”
6-15	6.7.3.B.1.a.iii	“See 5.2.7 Major Historic Review and 5.2.7 Major Historic Review”	“See 5.2.6 Minor Historic Review and 5.2.7 Major Historic Review.”
2-40	2.5.6.A.6	“Type X ”	“Type B, D ”
3-32	3.4.4.A	“In a RX-District, commercial uses must not exceed 25% of the floor area on a lot.”	*This information is not readily visible and should be added to the RX-district pages in Division 2.
5-5	5.1.3.B.1	Missing Special Exception Permits	“f. Special Exception Permits”
Throughout the code		RN-A is missing, Example: RN-A is not listed in the Screening Transition Matrix under 4.7.1.B.1 on page 4-48	

Tier 1 Amendment Examples State Regulations

Bill	General Changes that need to be made
HB2660	Review timelines have been reduced for Subdivisions, Site Plans, and Development Plans. Most of this information is in the City's Development Review Procedures Manual and not subject to requiring a code amendment. Acceptance of applications has been shortened from 10 days to 5 days, and this will need to be amended in the Development Code. Page 5-12 (5.2.1.C.4.a)
SB974	Removes Planning Commission as the approval authority for administrative review for Subdivisions, Site Plans, and Development Plans. Staff is in the process of identifying the required edits conform to the new regulation.

Tier 2 Amendments

- **Staff is proposing twenty-three (23) Amendments**
- **Purpose** – Addresses oversights and ambiguities in the Development Code to enhance clarity and functionality and to enforce the Intent sections of the Code.
- **Fee Schedule** – Minor Amendments to the Neighborhood Development Services Fee Schedule to reflect changes to the Development Review process.
- **Scope** – Includes modifications, additions, and removals that improve interpretation and implementation of existing provisions.
- **Impact** – Ensures regulations align more effectively with intended planning goals while maintaining consistency.
- **Process** – Tonight's Public Hearing is the culmination of nearly 12-months of work by staff and the Planning Commission.
- **Continuous Refinement** – Part of the ongoing commitment to keeping the Development Code responsive and well-structured.

Tier 2 Amendment Examples: Overview of a few key Amendments

Amendment B.1 – Side Setbacks for Attached Dwellings

- Allows Zero Setbacks when dwelling units are attached.
- Improves flexibility for urban infill projects.

Amendment B.5 – Accessory Structures

- Permits sheds/garages without forcing Primary Buildings into Build-to compliance.
- Supports practical site design.

Amendment B.15 – Height Bonus Standards

- Clarifies Affordable Housing requirements for height bonuses.
- Ensure consistency with the City Housing Policy goals.

Amendment B.28 – Fences and Walls

- Exempts small non-privacy fences and guardrails.
- Streamlines minor improvements to property.

Tier 2 Amendment Examples: Overview of a few key Amendments

Amendment B. 32 – Development Review Process

Unified Development Plan Removes “Major/Minor” distinction; serves as zoning compliance review and establishes vesting rights.

- New Final Site Plan Categories
- Major Final Site Plan: For new construction/additions with public improvements.
- Minor Final Site Plan: For smaller projects without public improvements.
- Final Site Plan approval becomes prerequisite for permits (E&S, VESMP, bonding).

Streamlined Path for Small Projects

- Codifies policy allowing one- and two-unit projects to bypass Development Review and go directly to Building Permit.

Why It Matters for Fees:

Creates new review categories requiring distinct fee structures.

- Fee Schedule adds:
- Development Plan Review: \$400
- Final Site Plan Major: \$1,800
- Final Site Plan Minor: \$800
- Removes outdated categories and aligns fees with updated **process**.

Goal:

- Improve efficiency, predictability, and cost recovery while supporting housing and land use goals.

Public Comment and Community Engagement

- **Data Collection:** Staff continuously gathers data from daily Development Review and community engagement.
- Updates feed into the Amendment “Working Document” reflecting feedback from staff, builders, developers, and the community
- **May 27, 2025, Planning Commission Work Session:** Reviewed early work on proposed amendment categories
- **October 14, 2025, Planning Commission Work Session** Engaged with Commission and local builders/developers to identify issues in the Development Code
- **November 12, 2025, Planning Commission Work Session:** Working meeting to review first draft of Tier 2 Amendments and receive feedback
- **January 13, 2026, Planning Commission Public Hearing:** Planning Commission voted unanimously to recommend all 86 amendments for approval

Recommendation

Staff recommends:

- Holding a Public Hearing on the Development Code Amendments, then holding a Public Hearing on the Amended Fee Schedule
- Approve Development Code Amendments as presented
- Approve ordinance amending Fee Schedule
- Implementation targeted for March 2026

Thank You



Policy Briefing Summary

City Council



Regarding:	Public Hearing and Ordinance for Update to Neighborhood Development Services Fee Schedule for Land Use Development Review
Staff Contact(s):	Matthew Alfele, City Planner
Presenter:	Matthew Alfele, City Planner
Date of Proposed Action:	February 17, 2026

Issue

As part of the Department of Neighborhood Development Services' ("NDS") ongoing commitment to improving the Development Review process, a series of Development Code Amendments and policy changes—related to the Development Review Procedures Manual—will take effect in the near future. NDS Staff anticipates implementing these updates by the end of March. To support these improvements, revisions to the City's Development Fee Schedule are required.

Background / Rule

Pursuant to state regulations, NDS Staff requests that City Council hold a Public Hearing to update the Fee Schedule for the City NDS Department and the City Public Works Department. The proposed changes include:

-Under Water Protection (Chapter 10) and Streets & Sidewalks (Chapter 28) replace the heading of NDS with **Department of Public Works**.

-Add (**Chapter 34**) behind Subdivision title

-Under Subdivision add the following Fee types:

- Sublot Plat Approval: Preliminary and/or Final — \$100 per Lot
- Easement Plat Approval: Final — \$500

-Under Subdivision, edit the following Fee types:

- 36 Subdivision Plat/~~Easement~~-Plat Approval: Preliminary
- 37 Subdivision Plat/~~Easement~~-Plat Approval: Final
- 38 Amendment of Approved Unrecorded Subdivision Plat/~~Easement~~ Plat/**Sublot Plat**

-Under Zoning (Chapter 34) add the following Fee types:

- Development Plan Review — \$400
- Final Site Plan Major Review — \$1,800
- Final Site Plan Minor Review — \$800
- Traffic Demand Management (TDM) Plan Review — \$200

-Under Zoning (Chapter 34), edit the following Fee types:

- 55 Minor Revision to an approved Development Pla or Final Site Plan (\$100 Minor Development Plan) (\$500 Major Development Plan) (**\$200 Development Plan**) (**\$900 Final Site Plan Major**) (**\$400 Final Site Plan Minor**)

-Under Zoning (Chapter 34), remove the following Fee types:

- 50 Development Plan Review – Minor
- 51 Development Plan Review – Major
- 52 Final Site Plan

Analysis

The proposed revisions to the Development Fee Schedule are intended to align with upcoming changes to the Development Review process and ensure consistency with the updated Development Code. These changes introduce new fees for Sublot applications and Traffic Demand Management (TDM) plan reviews, which are required under certain circumstances. Additionally, the categorization of Development Plans will be simplified; rather than distinguishing between Major and Minor Development Plans, there will be a single Development Plan type reviewed entirely within NDS for Zoning compliance.

Final Site Plans, however, will be divided into Major and Minor categories to provide flexibility based on project scale and to reflect the requirements outlined in Section 34-5.2.9 of the Development Code. The revisions also include minor terminology updates to clarify which Departments and divisions are responsible for administering specific Applications. Collectively, these changes are designed to improve efficiency, enhance clarity for Applicants, and better align fees with the level of review required.

Financial Impact

The updated Fee Schedule will generate additional revenue to offset the costs associated with Development Review and related Applications.

Recommendation

NDS Staff recommends City Council adopt the attached Ordinance amending the City's NDS and Public Works Fee Schedule.

Recommended Motion (if Applicable)

"I move to adopt the attached Ordinance amending the City's NDS Department and City's Public Works Fee Schedule as presented."

Attachments

1. Ordinance

**ORDINANCE APPROVING AND ADOPTION A SCHEDULE OF FEES APPLICABLE
TO VARIOUS SERVICES AND FUNCTIONS ADMINISTERED BY THE CITY’S
DEPARTMENT OF NEIGHBORHOOD DEVELOPMENT SERVICES, RELATED TO
APPLICATIONS, INSPECTIONS, PERMITS, AND APPROVALS REQUIRED BY THE
CHARLOTTESVILLE DEVELOPMENT CODE**

WHEREAS, §§ 15.2-2241, 15.2-2286 and 15.2-2292.1 of the Code of Virginia (1950), as amended, provide for the collection of fees to cover the cost of making inspections, issuing permits, advertising of notices, and other expenses incidental to the administration of Development, Zoning, and Subdivision Ordinances and to the filing or processing of any appeal or amendment thereto; and

WHEREAS, the Code of the City of Charlottesville (1990), as amended, provides in various places for the Council of the City of Charlottesville, Virginia’s (“City Council”), approval, from time-to-time, of a schedule of fees associated with other types of applications, petitions, inspections, permits, and approvals administered by the City’s Department of Neighborhood Development Services and Department of Public Works, pursuant to §§ 15.2-2241, 15.2-2286, and 15.2-2292.1 of the Code of Virginia (1950), as amended; and

WHEREAS, following advertisement of this change in accordance with the requirements of § 15.2-107 of the Code of Virginia (1950), as amended, this City Council has held a Public Hearing on the proposed fee schedule.

NOW, THEREFORE, BE IT ORDAINED by City Council that the fee schedule, as amended by the addition of the following fees and removal of those not needed, is hereby approved and adopted, and shall take effect on March 23, 2026.

TYPE OF FEE	PROPOSED FEE (\$)	CURRENT FEE (\$)	ADDITIONAL COSTS/COMMENTS
DEVELOPMENT CODE SUBDIVISION AND ZONING			
Sublot Plat Approval: Preliminary and/or Final	\$100 per Lot		
Easement Plat Approval: Preliminary and/or Final	\$500		
Subdivision Plat/Easement Plat Approvals: Preliminary	\$500	\$500	Plus \$20 per Lot
Subdivision Plat/Easement Plat Approvals: Final	\$1,330	\$1,330	Plus \$20 per Lot
Amendment of Approved (Unrecorded) Subdivision Plat/Easement Plat/Sublot Plat	\$100	\$100	Plus \$5 per Lot
Development Plan Review	\$400		

Development Plan Review Minor	\$100 (Administrative) + \$150 (Commission Review)		
Development Plan Review Major	\$900 (Administrative) + \$200 (Commission Review)		
Final Site Plan Review (Major)	\$1,800	\$1,800	Plus \$20 per Residential Unit, plus \$20 per 100 SF of Commercial Space
Final Site Plan Review (Minor)	\$800		
Traffic Demand Management (TDM) Plan Review	\$200		
Minor Revision to an Approved Development Plan or Final Site Plan	(\$200 Development Plan) (\$900 Final Site Plan – Major); (\$400 Final Site Plan – Minor)	(\$100 Minor Development Plan); (\$500 Major Development Plan)	

*Any existing fees not noted above remain in effect from last approval.

Policy Briefing Summary

City Council



Regarding:	Public Hearing and Ordinance for Quitclaim Natural Gas Easement (Belvedere Subdivision 5B)
Staff Contact(s):	Lauren Hildebrand, Director of Utilities, Jason McIlwee, Deputy Director
Presenter:	Jason McIlwee, Deputy Director
Date of Proposed Action:	February 17, 2026

Issue

A Public Hearing is being held to quitclaim portions of a natural gas easement across right-of-way in Block 5B of the Belvedere Subdivision in Albemarle County, Virginia ("Albemarle").

Background / Rule

In 2023, the City of Charlottesville, Virginia ("City"), acquired a natural gas line easement from Greenwood Holdings, Inc. Portions of the easement are located within Miranda Crossing and Fowler Street in Block 5B of the Belvedere Subdivision in Albemarle. The roads are now public rights-of-way and the Virginia Department of Transportation ("VDOT") is prepared to accept these roads into the State Highway System.

Analysis

The attached Ordinance proposes to quitclaim portions of an existing natural gas easement for VDOT to accept these roads into the State Highway Maintenance System. The natural gas facilities will continue to be owned and maintained by the City, even after the easement is quitclaimed to the State. The City's natural gas facilities are required to remain in their present locations, and if any of the streets cease to be part of VDOT's Highway System, the gas line easement in that street will revert to the City.

Financial Impact

There is no financial impact.

Recommendation

City Utilities Staff recommends City Council adopt the attached Ordinance authorizing the quitclaim of portions of an existing City natural gas easement to VDOT allowing it to accept said roads into the State Highway Maintenance System. City Utilities Staff also recommends City Council waive any required Second Reading.

Recommended Motion (if Applicable)

"I move to adopt the attached Ordinance authorizing the quitclaim of portions of an existing City natural gas easement to VDOT allowing it to accept said roads into the State Highway Maintenance System. I also move that City Council waive any required Second Reading."

Attachments

1. Ordinance - Belvedere Phase 5B-2
2. Deed Quitclaim Belvedere 5B ADA
3. Plat Belvedere 5B Quitclaim

**ORDINANCE QUITCLAIMING RIGHTS TO EASEMENTS LOCATED IN
ALBEMARLE COUNTY, VIRGINIA (TMP: 06200-00-00-016D1)**

WHEREAS, the City of Charlottesville, Virginia (“City”), is the holder/owner of a gas line easement (hereinafter the “Easements”) in Albemarle County, Virginia, depicted on the plat attached hereto as Exhibit “A,” and made a part fully hereof; and

WHEREAS, the public rights-of-way in which the City’s Easements are located will be transferred to the Commonwealth of Virginia, Virginia Department of Transportation, which will own and maintain the public streets constructed within the public rights-of-way; and

WHEREAS, the Commonwealth of Virginia has requested the Council of the City of Charlottesville, Virginia (“City Council”), to Quitclaim the City’s rights to the Easements to it, as identified on Exhibit “A;” and

WHEREAS, City Council has reviewed the information provided by City Staff, and conducted a Public Hearing on February 17, 2026, after publication of Notice of said Public Hearing within a local newspaper, as required by Virginia Code §§ 15.2-1800 and 15.2-1813.

NOW THEREFORE BE IT ORDAINED, by City Council that Quitclaim of the above-described Easements are hereby approved. The City Attorney has prepared a Deed of Quitclaim to effectuate the quitclaim of the existing Easements as approved by this Ordinance, which is attached hereto as “Exhibit B;” and

BE IT FINALLY ORDAINED BY CITY COUNCIL THAT the requirement within City Code Section 2-97 (for two (2) readings of an Ordinance) is hereby WAIVED, and this Ordinance shall be effective upon its adoption by City Council without any requirement for a second reading.

Approved by Council _____

Clerk of Council

Prepared by:
J. Vaden Hunt, Esq. (VSB # 65574)
Chief Deputy City Attorney
Charlottesville City Attorney's Office
P.O. Box 911.
Charlottesville, Virginia 22902

Tax Map Parcel: 06200-00-00-016D1 (Belvedere Phase 5B)
Prepared without benefit of title examination
Consideration: \$1.00

This Deed is exempt from state recordation taxes pursuant to Virginia Code §§ 58.1-811(A)(3) and 58.1-811(C)(4), and is exempt from the fees imposed by Virginia Code § 17-275, pursuant to Virginia Code § 17-266.

DEED OF QUITCLAIM

THIS DEED OF QUITCLAIM (“Deed”), made and entered into on this ____ day of January 2026, by and between the **CITY OF CHARLOTTESVILLE, VIRGINIA**, a municipal corporation and a political subdivision of the Commonwealth of Virginia, (“GRANTOR”), and **COMMONWEALTH OF VIRGINIA, DEPARTMENT OF TRANSPORTATION**, (“GRANTEE”), whose address is P. O. Box 671, Culpeper, Virginia 22701 (collectively, “Parties”).

WITNESSETH:

That for and in consideration of the sum of One Dollar and No Cents (\$1.00), cash in hand paid, receipt of which is hereby acknowledged, GRANTOR does hereby QUITCLAIM and RELEASE to GRANTEE, subject to the reservations hereinafter set forth, the shaded portion of the easements and rights-of-way ("Property"), as shown on the plat attached hereto, and made a part fully hereof as Exhibit “A,” prepared by Roudabush, Gale & Associates, Inc., dated October 3, 2025, to construct, maintain, operate, alter, repair, inspect, protect, remove, and replace a gas line and certain related facilities and improvements (collectively, "gas line"), which have been constructed and are being operated by GRANTOR within the public right-of-way for Fowler Street and Miranda Crossing in the Belvedere Subdivision in Albemarle County, Virginia, which public

right-of-way is owned, operated, and maintained by GRANTEE as a public street or highway. GRANTOR acquired its rights and interest in the Property by Deed of Easement dated July 7, 2023, from Greenwood Holdings, Inc., said Deed of Easement being of record in the Clerk's Office for the Circuit Court for the County of Albemarle, within Instrument Number 202300005765.

Grantor reserves unto itself, its successors, and assigns, all of the rights and privileges under the aforesaid Deed, until such time as the GRANTEE has issued a permit to GRANTOR authorizing the gas line to be and remain in place, and this conveyance is further expressly made subject to the following two (2) conditions, which shall be covenants running with the land:

1. That the above-described gas line may continue to occupy such streets or highways in the existing condition and location, operated and maintained by GRANTOR; and
2. GRANTOR shall always indemnify and save harmless GRANTEE, its employees, agents, and officers from any claim whatsoever arising from GRANTOR'S exercise of rights or privileges stated herein.

GRANTEE shall have and shall hold GRANTOR'S interests in the above-described Property, for so long as said Property is used as part of its public street or highway owned and maintained by GRANTEE or its successors or assigns charged with the responsibility and obligation to maintain public streets and highways, but upon abandonment of said Property's use for such purposes, all rights, privileges, interests, and easements in the Property herein described under the aforesaid easements shall revert to GRANTOR, its successors and assigns.

Notwithstanding other language contained herein which might appear to the contrary, the Parties agree that GRANTOR shall continue to own in fee simple the gas line improvements located within the above-described public roadway.

IN WITNESS WHEREOF, GRANTOR has caused its name to be assigned hereto and its seal to be affixed and attested by its appropriate officers, all after due authorization, on this ____ day of January, 2026.

GRANTOR:

CITY OF CHARLOTTESVILLE, VIRGINIA

Juandiego Wade
Mayor

COMMONWEALTH OF VIRGINIA
CITY OF CHARLOTTESVILLE


The foregoing Deed was acknowledged before me on this ____ day of January, 2026 by Juandiego Wade, Mayor, on behalf of the City of Charlottesville, Virginia.

Notary Public

Registration #: _____

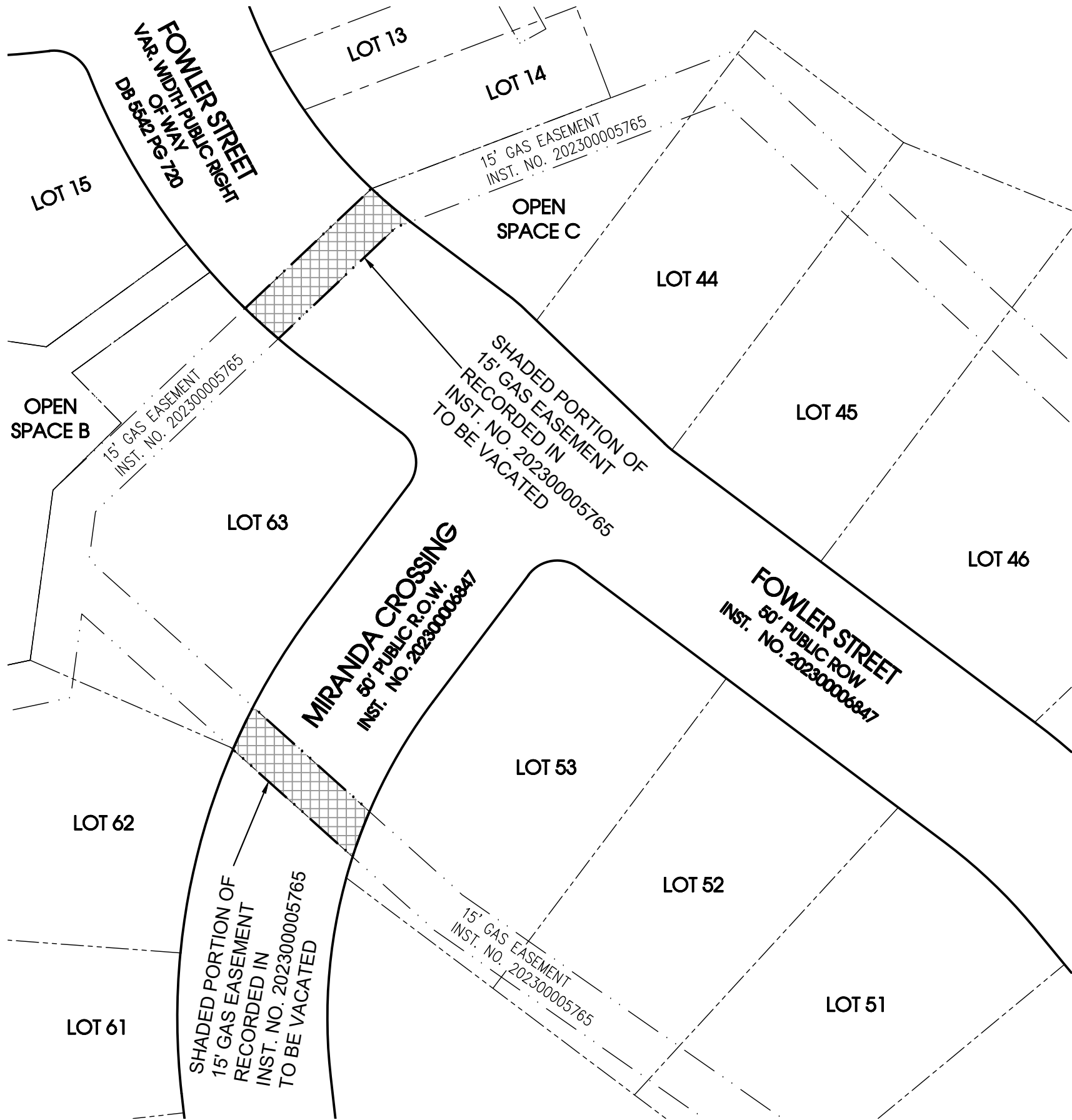
My commission expires: _____

Approved as to form:



John Maddux, Esq.
City Attorney

EXHIBIT "A"
Plat



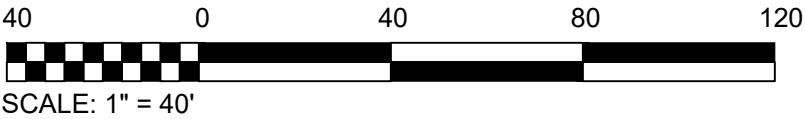
NOTES:

1. THIS PLAT HAS BEEN PREPARED WITHOUT THE BENEFIT OF A TITLE REPORT AND DOES NOT THEREFORE NECESSARILY INDICATE ALL ENCUMBRANCES ON THE PROPERTY SHOWN HEREON.
2. THIS PLAT HAS BEEN PREPARED FROM AN ACTUAL FIELD SURVEY USING MONUMENTS FOUND TO EXIST AT THE TIME OF THIS SURVEY.
3. THE AREA SHOWN HEREON IS LOCATED IN ZONE "X" AND DOES NOT FALL WITHIN FLOOD HAZARD ZONE "AE" FOR A 100 YEAR FLOOD AS SHOWN ON FEMA MAP NO 51003C0279D, EFFECTIVE DATE 2/4/2005, EXCEPT FOR AREAS SHOWN HEREON, PER ALBEMARLE COUNTY GIS. THIS DETERMINATION HAS BEEN MADE BY GRAPHIC METHODS, NO ELEVATION STUDY HAS BEEN PERFORMED AS A PORTION OF THIS PROJECT.
4. PARCELS AND RIGHTS OF WAY SHOWN HEREON ARE BASED ON SUBDIVISION PLAT DATED 05-19-2023 AND RECORDED IN INSTRUMENT NUMBER 202300006847.
5. OWNER AND RECORD INFORMATION:
GREENWOOD HOLDINGS INC
6535 WOODBOURNE LANE
CROZET VA, 22932
INST. NO. 202300001245 (TITLE), INST. NO. 202300006847 (PLAT)

LEGEND



PORTION OF EASEMENT TO BE VACATED



ROUDABUSH, GALE & ASSOC., INC.

A PROFESSIONAL CORPORATION
SERVING VIRGINIA SINCE 1956



999 SECOND ST. SE.
CHARLOTTESVILLE, VA 22902

PHONE 434-977-0205 WWW.ROUDABUSH.COM

DATE:	10/03/2025	SCALE:	1" = 40'
REV.:		JOB:	22.3494
REV.:		FILE:	kwinters

EXHIBIT SHOWING A PORTION OF AN
EXISTING GAS EASEMENT VACATED WITHIN
FOWLER STREET &
MIRANDA CROSSING
BELVEDERE SUBDIVISION, PHASE 5B
RIO MAGISTERIAL DISTRICT,
ALBEMARLE COUNTY, VIRGINIA

SHEET: **V1** OF 01