

Rio29 Economic Development Focus Groups | Summary Feedback

Executive Summary

Albemarle County Community Development and Economic Development staff held four focus groups with property owners and developers in the Rio29 community. This document provides a summary of key themes that emerged from these four sessions:

Free Enterprise Forum Board Meeting – Tuesday, September 10, 2019
CADRe Luncheon – Thursday, September 12, 2019
Rio29 Property Owners Luncheon – Friday, September 13, 2019
North Charlottesville Business Council – Wednesday, September 18, 2019

Based on analysis of comments and discussion across all four focus groups, several salient themes are listed below for the Planning Commission's consideration:

- **Financial Investment** | Redevelopment in Rio29 that incorporates the public amenities, design and forms desired by the public and aligned with the Rio29 Small Area Plan increases the cost of development. Coupled with County policies and processes that require additional investments of time and financial capital, cost is a significant barrier to redevelopment.
- **Incentives** | Despite the high cost of redevelopment, County investment in public amenities (ie. streets, structured parking, public space), expedited approval processes and business/property tax abatement can help to incentivize development with the Rio29 Small Area Plan.
- **Height/Density Bonuses** | Allowing greater building height (by-right and through incentives) often makes a project financially feasible and/or provides a return on investment that is more attractive to the development community.
- **County Development Review Process** | The County development review process is perceived as time consuming, expensive and unpredictable. Form-based code could be a tool to address the timeliness and predictability concerns by providing a by-right, administrative review process.

The following pages in this document include analysis of each questions asked/discussed during these focus groups.

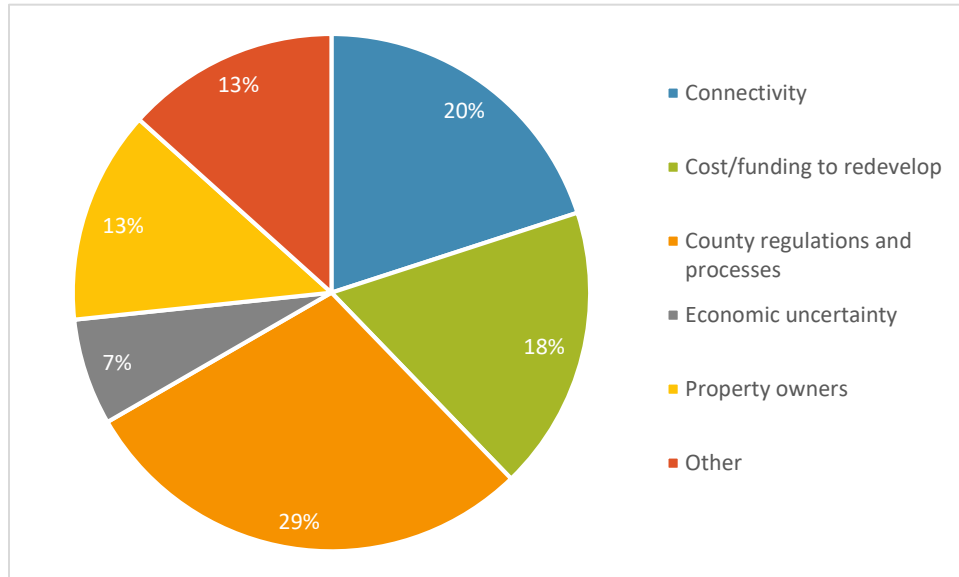
Individual Question Analysis

Q1 What is currently the biggest barrier to development/redevelopment in Rio29?

The top three barriers to development/redevelopment in Rio29 cited were:

- 1) County regulations and processes (29%),
- 2) connectivity (roads, transportation, traffic) (20%), and
- 3) cost/funding necessary to redevelop (18%).

In reference to County regulations and processes, respondents specifically cited time and cost of “arbitrary and changing rules” as well as the Architectural Review Board approval process for Entrance Corridors as barriers.

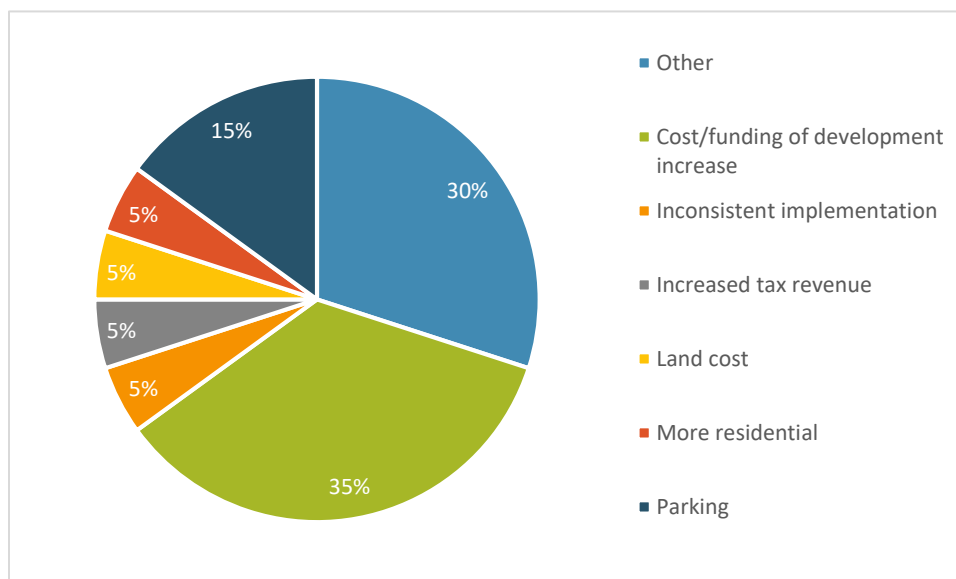


Q2 What do you see as some of the most significant financial impacts of the vision articulated for Rio29?

The most significant financial impacts for implementing the vision in the Rio29 Small Area Plan cited were the cost of redevelopment (35%) - build sites with a street network, green/public space, bike and pedestrian infrastructure and other public amenities.

The second highest response was a broad category "Other" (30%), where all the responses were different and ranged from "potential to build a new business and multi-use hub..." to "increased property taxes".

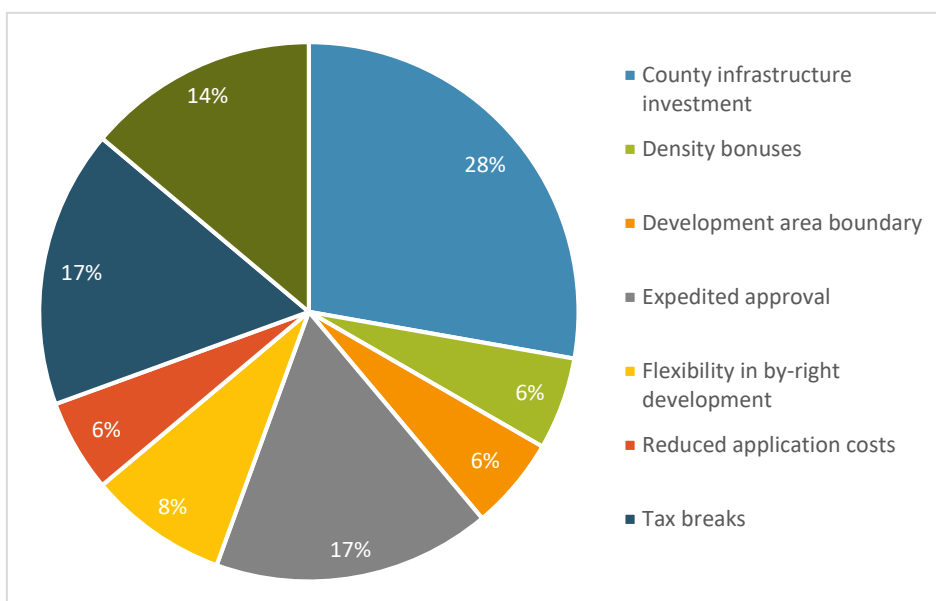
The third highest response was related to parking (15%) – either that structured parking is expensive or that updated parking requirements (such as parking maximums) could save money for the development community.



Q3 What are the most meaningful incentives that the County can offer to stimulate development consistent with the Rio29 vision?

The top three incentives that the County can offer to stimulate development in Rio29 cited were: 1) County infrastructure investment (28%), 2) expedited approval processes (17%), and tax breaks (17%), and 3) "Other" (14%).

Examples of County infrastructure investments mentioned were roads, public space, stormwater management, and structured parking.



HEIGHT

How does capping the height of buildings at four (4) stories impact the redevelopment potential of Rio29?

Most respondents (82%) cited negative implications for capping the height of buildings at four (4) stories in the Rio29 area.

Examples of comments included:

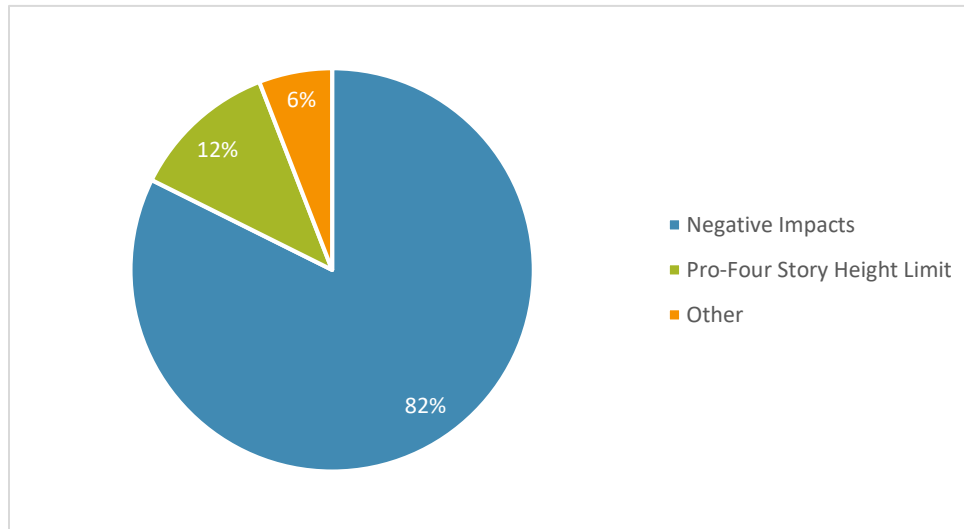
"Land is too expensive not to go over 4-5 stories...it would be wise to allow, not require, more height"

"Not sure why we wouldn't allow 6 or even 8 stories"

"For a small lot, you need to build up to justify the cost of redevelopment, 4 stories may be too restrictive"

"If we really are thinking 20+ years out, Albemarle needs more vertical"

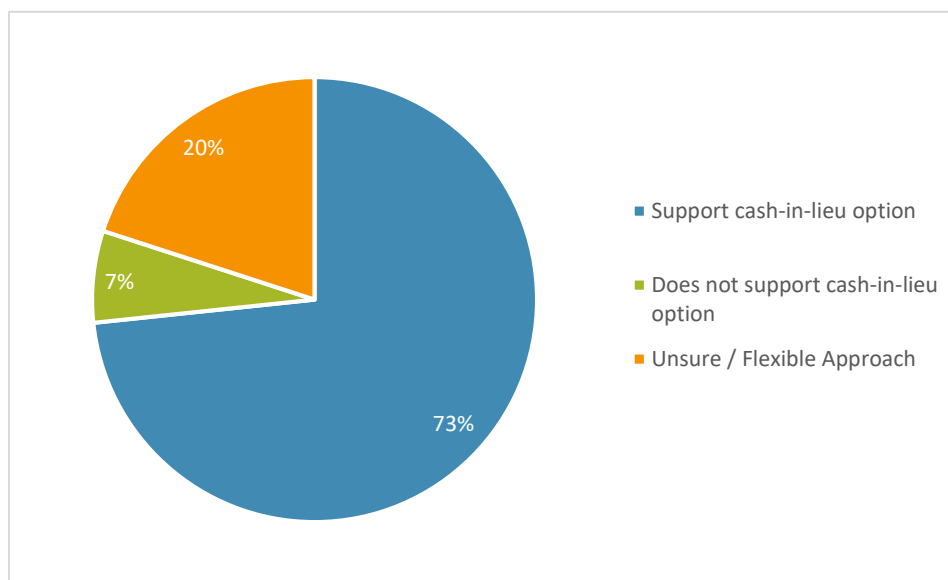
"Limits return on investment"



The "Other" category (6%) reflects comments made that did not fit into a pro/anti-height cap framework, such as "one would need the parcel-by-parcel site topography for context."

GREEN SPACE

Do you support a "cash-in-lieu" option to contribute funds to a central amenity space rather than a requirement to provide on-site public amenity space?



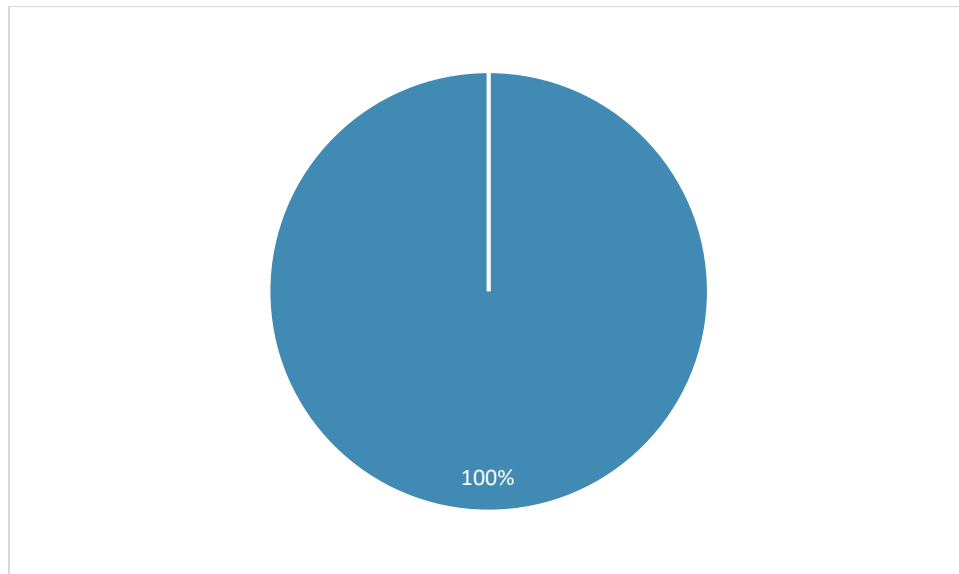
Most respondents (73%) were in support of a "cash-in-lieu" option for central amenity spaces in Rio29.

20% of respondents said they need to know more information or that "it depends on the type of development" and "property owners should be given the option to do whatever makes the most sense to them."

ARCHITECTURE

Should we strive to codify the Entrance Corridor guidelines as part of the form-based code or continue the Architectural Review Board (ARB) process?

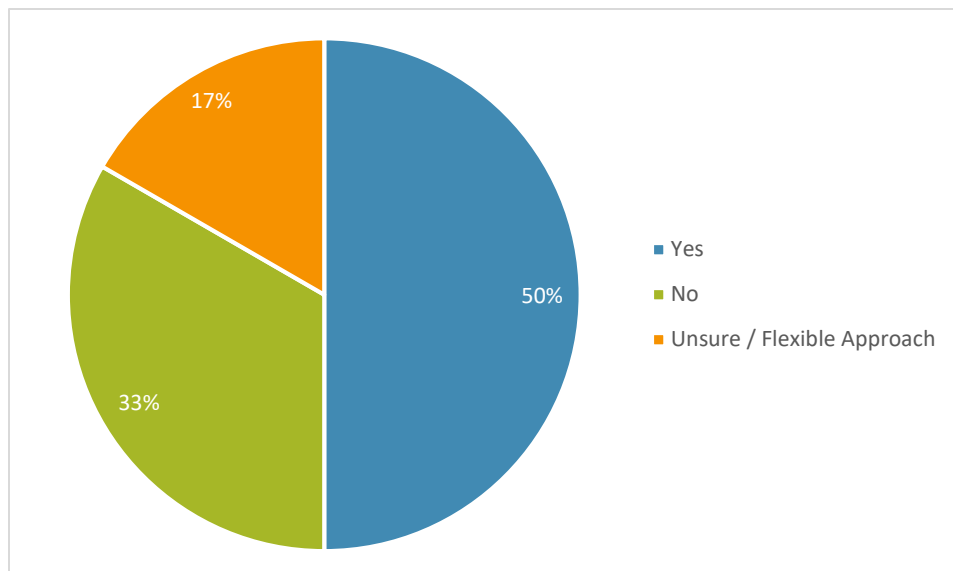
All of respondents (100%) recommended that County staff work to codify Entrance Corridor guidelines as part of the Rio29 form-based code.



PARKING

Would you support a shift in how the County regulates parking – from parking minimums to parking maximums? Why or why not?

50% of respondents supported shifting how the County regulates parking to a “parking maximum” approach. Comments included: “The Plan should reduce parking to achieve goals of multi-modal transportation” and “Delete parking minimum and maximums altogether in favor of form-based code”.



17% of respondents were unsure, advocating for “parking should be more subjective to each site” and “it depends on the type of project.”

33% of respondents were opposed to a parking maximum approach. Rationale included: adequate public transit should be developed first, structured parking should be encouraged and “parking must be plentiful” to support businesses.

HOUSING

If there was not a density limitation in Rio29, would a mandatory 15% affordable housing requirement be a reasonable tradeoff?

Most respondents (47%) support a mandatory 15% affordable housing requirement in Rio29.

Comments in support included:

"Yes, but redefine affordability to a sliding scale..."

"Especially with relaxed height restraints"

"I know the County is looking to have more affordable housing, so yes, 15% does seem reasonable. I'm just not sure how that would look/translate"

33% of respondents do not support a 15% affordable housing requirement.

Comments included:

"This is not relevant to form-based code. It is laudable as a goal, but it is extractive and a disincentive."

"That does not appear to be the solution. The Plan should dig deeper for the goal of multi-modal, which may not include affordable housing in the traditional sense."

"No, affordable housing should not be mandated."

20% of respondents were unsure and often stated they needed to know more. One person stated, "Only if there were a procedure in place to guarantee affordable housing would actually be built."

