

COUNTY OF ALBEMARLE



MEMORANDUM

TO: Planning Commission

FROM: Steven A. Allshouse, Manager of Forecasting and Performance

DATE: March 15, 2021

RE: DEPARTMENT OF COMMUNITY DEVELOPMENT FEES UPDATE.

Background

On February 2, 2021 staff provided information to the Planning Commission regarding proposed changes to *existing* fees, as well as proposed *new* fees, contained in Chapter 18 (Zoning) of the Albemarle County Code. For details of the presentation, please see Attachment A. The County Attorney's Office subsequently determined that the Planning Commission also should consider the proposed changes that staff has made to Chapter 14 (Subdivisions), since the Commission has a relationship to the fees contained in both Chapter 14 and Chapter 18 of the County Code.

Attachment B shows the proposed updates to existing fees, as well as the proposed new fees, for Chapter 14. The Chapter 14 updates reflect the same methodology that staff used to generate the proposed updates to the fees contained in Chapter 18. Attachment C shows the Chapter 18 fee proposals that staff presented to the Planning Commission on February 2nd.

The purpose of this public hearing is to provide the Planning Commission the opportunity to consider further the CDD fee proposals and offer a set of recommendations to the Board with respect to the proposed fees.

Discussion

At the Planning Commission meeting on February 2, 2021 staff described the methodology that CDD used to generate the proposed updates to *existing* fees as well as the proposed *new* fees; recounted CDD's outreach efforts related to the fee proposals; and outlined staff's remaining work. Two important remaining work items included undertaking a comparison of Albemarle's proposed fees with fees charged in other jurisdictions; and conducting a set of case studies that would reveal how the fee proposals might impact the cost of developing different types of projects. The rest of this discussion involves the general results of the fees comparison and case studies.

Fees Comparison

Staff examined a set of fees charged by the City of Charlottesville (as a “next-door neighbor” community) as well as the same set of fees that exist in Hanover County, Henrico County, James City County, and Roanoke County. The specific items that staff looked at included charges for building permits, site plans, rezoning applications, and subdivision plats. Staff found that Albemarle’s proposed fees in many cases tended to be higher than the corresponding fees in the other localities, but that most of the fees in the other jurisdictions had not been updated recently, i.e., Albemarle’s proposed fees in 2021 tended to be higher than the existing (but older) fees in the comparison localities. Overall, Albemarle’s proposed fees appeared to be reasonable. Staff also surveyed the technology fees charged by Fairfax County, Montgomery County, and Roanoke County. Staff found that the level of Albemarle’s proposed technology fee was identical to that of Fairfax County’s technology fee and was only slightly above the levels charged by Montgomery County and Roanoke County. Finally, staff compared a representative ARB-related fee to the corresponding fee charged by the City of Alexandria and found that the level of County’s proposed fee was significantly lower than was the level of Alexandria’s fee. For details about the comparison of fees, please see Attachment D.

Case Studies

Staff examined the fees that CDD charged on each of six representative projects that have undergone review in the past few years and compared those dollar amounts with the amounts that CDD would have charged under the proposed set of fees. The projects that staff examined consisted of commercial and residential developments; projects in the Rural Areas and the Growth Areas; and included an affordable dwelling unit example. Staff measured the cost increases in dollar terms but also measured the cost increases as a *proportion of the overall value* of the projects. Staff found that, on average, the proportional increase resulting from the fee proposals came to a fraction of one percent of the overall value of the project. For additional information about the case studies, please see Attachment E.

Remaining Timeline

Staff will meet with the Board of Supervisors on April 21, 2021 to hold a public hearing on the proposed fees contained in Chapters 5 (Building), 14 (Subdivisions), 17 (Water Protection), and 18 (Zoning) of the County Code.

Recommendations

After holding a public hearing to receive comments, and taking into consideration those comments, staff recommends that the Planning Commission:

1. Recommend approval of STA 2021-00001 as provided in Attachment B, noting any recommended changes from the presented fees; and

2. Recommend approval of ZTA 2021-00001 as provided in Attachment C, noting any recommended changes from the presented fees.

Attachments:

Attachment A – February 2, 2021 Staff Presentation
Attachment B – STA2021-1, Subdivision Fees
Attachment C – ZTA2021-1, Zoning Fees
Attachment D – Fees Comparison Table
Attachment E – Case Studies Table