



## COUNTY OF ALBEMARLE STAFF REPORT SUMMARY

<b>Project Name:</b> ZMA201600007 Hollymead Town Center A2 Proffer Amendments	<b>Staff:</b> Rebecca Ragsdale, Senior Planner/ Elaine Echols, Acting Chief of Planning
<b>Planning Commission Public Hearing:</b> August 23, 2016	<b>Board of Supervisors Public Hearing:</b> TBA
<b>Owner:</b> Route 29 LLC	<b>Applicant:</b> Wendell Wood/Nena Harrell
<b>Acreage:</b> Approximately 43 acres	<b>Rezone from:</b> No change in zoning district or uses is proposed
<b>TMP:</b> 03200000004500, 03200000005000	<b>By-right use:</b> NMD which allows commercial, office, and residential uses according to the Code of Development
<b>Magisterial District:</b> Rio <b>School Districts:</b> Baker-Butler ES, Sutherland MS, Albemarle HS	<b>Proffers:</b> Yes
<b>Development Area:</b> Hollymead, Places 29	<b>Requested # of Dwelling Units:</b> no change; maximum of 1222 units allowed under existing zoning
<b>Proposal:</b> Request to amend proffers related to affordable housing (Proffer 1), cash proffers for CIP impacts (Proffer 4), remove cash proffer for recreational facilities (Proffer 8), amend proffer for phasing of commercial/residential (Proffer 11), and add a proffer for a pool and neighborhood center (Proffer 13).	<b>Comprehensive Plan Designation:</b> Urban Mixed Use in Centers; Urban Density Residential; Commercial Mixed Use; Light Industrial
<b>Character of Property:</b> Currently the property is graded but undeveloped as part of the Hollymead Town Center.	<b>Use of Surrounding Properties:</b> Residential uses: townhouses and a mobile home park; commercial; and undeveloped land.
<b>Factors Favorable:</b> <ol style="list-style-type: none"> <li>1. Affordable housing proffer changes related to banking provisions provide additional flexibility.</li> <li>2. The County's Housing Director does not have concerns with elimination of the percentage of for-sale units in the development.</li> <li>3. Changes proposed to the phasing proffer should not affect the County's desire to ensure that both residential and non-residential activities take place in Hollymead Town Center.</li> <li>4. Significant on-site amenities for residents are</li> </ol>	<b>Factors Unfavorable :</b> <ol style="list-style-type: none"> <li>1. The proposed methodology in the proffers for calculating the number of affordable units is inconsistent with the Affordable Housing policy and other accepted affordable housing proffers.</li> <li>2. The cash proffered and accepted by the Board when the property was originally rezoned was consistent with the cash proffer policy and was a reasonable condition intended to address the impacts from the rezoning. The then</li> </ol>

proposed.	applicant/owner signed the current proffer form that states the conditions are voluntarily proffered as part of the rezoning and acknowledged that the conditions are reasonable. The proffers were approved under prior legislation and the County is not required to evaluate this request under the new proffer legislation.
<b>RECOMMENDATION:</b> Staff recommends approval of proffer amendments related to affordable housing (Proffer 1), with the exception of how the number of affordable units are determined, and phasing of commercial/residential (Proffer 11), along with the addition of a proffer for a pool and neighborhood center (Proffer 13). Staff does not recommend amendments to reduce cash proffers for CIP impacts (Proffer 4), or to remove the cash proffer for recreational facilities (Proffer 8) until impacts are adequately addressed.	

**STAFF PERSON:**  
**PLANNING COMMISSION:**  
**BOARD OF SUPERVISORS:**

**Rebecca Ragsdale**  
**August 23, 2016**  
**TBA**

PROJECT: ZMA201600007 Hollymead Town Center (A-2)

MAGISTERIAL DISTRICT: Rio

TAX MAP/PARCEL: 03200000004500, 03200000005000

LOCATION: Hollymead Town Center Area A-2, the southwest quadrant of Seminole Trail (US 29) and Towncenter Drive to the west of Area A-1 in the Hollymead Development Area.

PROPOSAL: Request to amend proffers for ZMA 201000006 related to provision of for-sale affordable units, revise how the percentage of affordable units are calculated from total number of units within the development to total market rate units, to reduce the cash proffer amount from \$12,400/townhouse or condominium and \$11,900/apartment to \$3,845 for these units, to eliminate a cash proffer for County recreational facilities, to add recreational facilities to the site, and to revise the phasing plan for residential and commercial use.

PETITION: Amendment to rezoning for 44.5 acres on property zoned Neighborhood Model District zoning district which allows residential (3 – 34 units/acre) mixed with commercial, service and industrial uses. Existing density is 27 units/acre. No change to density is proposed.

OVERLAY DISTRICT: EC-Entrance Corridor; AIA-Airport Impact Area; Managed and Preserved Steep Slopes

PROFFERS: Yes

COMPREHENSIVE PLAN: Urban Mixed Use (in Centers) –retail, residential (6.01-60 units/acre in Destination Centers), commercial, employment, office, institutional, and open space; Commercial Mixed Use -retail, residential, commercial, employment, office, Institutional, and open space; Urban Density Residential (residential (6.01 – 34 units/acre) - supporting uses such as religious institutions, schools, commercial, office and service uses; and Light Industrial - manufacturing from prepared materials, processing, fabrication, assembly, and distribution of products.

## **PLANNING AND ZONING HISTORY:**

ZMA200700001 – Rezoned property from RA, C1, NMD, and PDMC to NMD to allow for up to 1,222 dwelling units, at a gross density of 26 units per acre, and up to 368,700 sq. ft. of non-residential, including a hotel. ZMA201000006 – Amended Code of Development, Application Plan, and proffers to accommodate a prospective movie theater.

ZMA201000013 – Proposed amendments to proffers which were reviewed by the Planning Commission and the Board, but, not approved. Applicant deferred to address issues, but the deferral period ended April 16, 2015.

ZMA201600001-Request to amend Proffer 1 to reduce the percentage of affordable dwelling units to be provided from 20% to 15% was approved on June 8, 2016.

No construction has taken place in this section of Hollymead Town Center but the following plans have been submitted:

SDP201000079	Town Center Movie Theater Early Grading Permit – Final (under review)
SDP201000086	Lockwood Townhomes At Hollymead - Final (deferred)
SDP201000087	Great Escape Movie Theater at Hollymead Town Center – Final (deferred)
SDP201500050	Hollymead Town Center, Block D1, D2, & C2 Apartments - Initial (deferred)
SDP201500063	Hollymead Town Center Blocks C3 & C4 – Initial (deferred)

## **SPECIFICS OF THE PROPOSAL:**

In 2007, Hollymead Town Center A2 was rezoned for up to 1222 residential units in the form of townhouses and multifamily units and up to 368,700 sq. ft. of non-residential uses. In 2010, the owner requested and received approval for a modification to the application plan, code of development, and proffers to allow for a movie theater on the site. Earlier this year, the Board approved a reduction to the number of affordable units proffered from 20% to 15%. Attachment B contains the latest proffers. A link to the application plan and code of development can be found [here](#).

With this rezoning, the applicant proposes the following changes to the proffers, as reflected in Attachment C:

- Amend Proffer 1- Affordable housing proffer-eliminate minimum percentage of units required to be for-sale and revise the banking/carry-over requirements; revise how the percentage of affordable units are calculated from total number of units within the development to total market rate units.
- Amend Proffer 4- Reduce cash proffer amounts.
- Eliminate Proffer 8- Remove this cash proffer for recreation facilities. They have proffered additional on-site amenities to off-set this request, see Proffer 13 added.
- Amend Proffer 11- Amend phasing plan for commercial/residential.
- Add Proffer 13- Add this proffer to provide additional recreation amenities in Block D-2,C-2, or C-4 to include a minimum of 3,500 square foot pool and deck along with a 1,777 square foot clubhouse/exercise facility.

### **APPLICANT'S JUSTIFICATION FOR REQUEST:**

The applicant's justification for these proffer changes are provided below:

#### **APPLICATION FOR AMENDMENT OF PROFFERS ZMA 2010-006 Hollymead Town Center A-2**

The original proffers were entered into in 2007 by a previous owner/developer and in a different economic climate. Many of the proffers are excessive and not consistent with proffers of other developments.

The following summarized the major requests:

We are requesting the elimination of 40% requirement of "for sale" units discussed in Proffer 1.

We are requesting that cash proffer #4 be amended to be more consistent with new State Code in regards to cash proffer funds. We are, however, offering to pay cash proffers as recommended the FIAC report to the County of Albemarle.

We are also requesting elimination of proffer 8 considering we have already dedicated 7.6 acres for a walking trail and will be providing a linear park, pool and clubhouse in conjunction with an apartment plan that is currently in review.

We are lastly requesting a minor revision to the phasing plan.

### **SUMMARY OF THE COMMUNITY MEETING:**

The community meeting was held June 20, 2016 at the Places 29 North Community Advisory Council (CAC) Meeting. Public notice was provided to a number of abutting and nearby property owners but none were in attendance at the meeting. The CAC received a presentation from the applicant on proposed proffer changes. There were a number of questions about cash proffers. On the recreation proffer changes, committee members noted that the type of recreational facilities proposed are not the same type of facilities the recreational cash proffer would be used to fund. However, the committee did not express concerns with the proffer change because of the greenway area and other amenities to be provided.

### **COMPREHENSIVE PLAN**

The property has four designations in the Places 29 Master Plan. The majority of the property is shown for Urban Mixed Use (in Centers), other designations on the property include Commercial Mixed Use and small areas of Light Industrial and Urban Density on the southern edge of the property. The applicant is not proposing any changes to the land use with this request.

Specific strategies from the Comprehensive plan relevant to the proposed proffer changes are listed below.

Strategy 4a: Through rezonings and special use permits, continue to ensure a mixture of housing types are provided that also support all income levels of County residents.

Strategy 2l in the Development Areas Chapter speaks to the importance of parks, recreational amenities, and open space: *Acquire, develop, and maintain public parkland shown on Master Plans. Continue to require recreational amenities in residential developments.*

Strategy 1c of the Growth Management Chapter recommends that the County continue to recognize the shared responsibility between the County and new development to pay for infrastructure and improvements to the Development Areas to address the impacts of new development.

Strategy 5d of the Development Areas Chapter of the Comprehensive Plan calls for a review of the Cash Proffer Policy to address its effects on density.

Strategy 1a of the Economic Development Chapter of the Plan says the County should promote new employment activities in the Development Areas and encourage developers of commercial and industrial projects to incorporate the Neighborhood Model principles.

## **DISCUSSION:**

**Proffer 1 Affordable Housing-** Changes are proposed to the terms of the affordable housing proffers. The applicant would like to eliminate the requirement for a minimum percentage of for-sale units and revise the banking/carry-over requirements. The applicant would like the ability to go below 15% affordable units on a site plan or subdivision plat to 10% if units are banked in another block. The development would still provide a total of 15% affordable units. These changes have been reviewed by the Housing Director and there is no objection. Staff notes that the owner's existing proffer to provide a minimum of 40% for-sale affordable units in HTCA2 may have had an impact on the Planning Commission's previous recommendation for a reduction in the percentage of total affordable units to be provided. However, the Housing Director supports this change to the proffers as it allows more flexibility in providing affordable units that respond to the market and affordability needs in the community.

As previously mentioned, a proffer amendment was approved in June to reduce the percentage of affordable units from 20% to 15%. The applicant had also asked to change the method for calculating the amount of affordable housing to be provided. However, at the Planning Commission public hearing, the applicant agreed to the original methodology and removed that request from what went to the Board of Supervisors.

With their last submittal of proposed changes, the applicant has again proposed a revision to the methodology of calculating affordable housing. Instead of basing the amount of affordable housing to be provided on the total constructed units in the development, he has proffered to base the percentage on total number of market rate units. Calculating the percentage on only market rate units would reduce the amount of affordable housing provided and is not consistent with the affordable housing policy and all other affordable housing proffers accepted by the County. This change is not supported by staff and should be revised back to the original methodology.

**Proffer 4 Cash Proffer for CIP projects-** The applicant is requesting to reduce cash proffer amounts from \$12,400 for each attached/townhouse/condominium and \$11,900 for each multifamily/apartment to \$3,845 for each attached/townhouse or condo/multifamily/apartment dwelling unit. They have also proposed to eliminate the annual adjustment clause to the cash proffers.

In September 2014, the Board of Supervisors directed the Fiscal Impact Advisory Committee (FIAC) to provide advice and recommendations to the Planning Commission and the Board of Supervisors on revisions to the credit provisions and the per unit cash proffer amounts of the Cash Proffer Policy. FIAC made its recommendation to the Board and Commission in July 2015 including a reduction in cash proffers to the following amounts:

\$4,918.00 for each single family detached unit and  
\$3,845.00 for each sing family attached or townhouse.

The recommended reductions were based on the FY 2015-2016 County capital improvements program (CIP, which covers future years 1-5) and capital needs assessment (CNA, which covers future years 6-10)). The CIP and CNA considered have a reduced number of projects proposing new capital improvements or projects that would expand the capacity of existing facilities; projects that would merely maintain existing facilities without expanding capacity were not considered. The numbers in the FIAC report are outdated now that we are in fiscal year 2017 and a new CIP and CNA have been adopted. However, calculations for how the 2016-2017 CIP would have affected cash proffers on a per-unit basis have not been completed.

The cash proffer policy was repealed by the Board on June 8, 2016 and the County has not developed a new policy for evaluating impacts from rezonings. There are currently no cash proffer amounts or model for determining cash proffer amounts endorsed by the County. To-date, the Board has not approved recent rezonings to reduce cash proffer amounts, denying two requests on July 13, 2016.

The applicant has not provided an evaluation of impacts or justification for the reduction other than state code changes and the outdated Fiscal Impact Advisory report. The cash proffered and accepted by the Board when the property was originally rezoned was consistent with the cash proffer policy and was a reasonable condition intended to address the impacts from the rezoning. The then applicant/owner signed the current proffer form that states the conditions are voluntarily proffered as part of the rezoning and acknowledged that the conditions are reasonable. The proffers were approved under prior legislation and the County is not required to evaluate this request under the new proffer legislation. Therefore, staff does not support the request to amend proffer 4 to reduce the cash proffer amounts.

**Proffer 8 Cash Proffer for regional parks/recreation and Proffer 13-** The applicant has requested to eliminate a proffer of \$500.00 per residential unit proffered for the purpose of funding the expansion or new development of regional outdoor recreational facilities as determined by the County's Parks and Recreation Department, such as playing fields or open space resources.

Neighborhood Model Zoning developments are required to provide greenspace and amenities as well as on-site recreational facilities required under Section 4.16 of the Zoning Ordinance. Based on the analysis included with ZMA 2007-01, the ordinance would have required 8 tot lots and four full court basketball courts within the project to serve a development of 1,222 units. Given the dense, urban form of development proposed, it was recognized that meeting the full recreation requirements prescribed by the ordinance could not be achieved on-site and a modification to Section 4.16 was approved with the rezoning. Credit towards meeting the ordinance requirements was given for amenities proposed within the development, including 2 tot lots, pocket park, linear park, greenway area, basketball court, pool, and dog park and a cash proffer was offered towards regional recreation. (Refer to Attachment D-Code of development) The table below provides a comparison of ordinance requirements, amenities

approved with ZMA 2007-01 and amenities proposed with this rezoning.

Ordinance Requirements for 1,222 units	Amenities Approved with ZMA 2007-01	Proposed Amenities with ZMA 2016-07
<ul style="list-style-type: none"> <li>• 8 tot lots</li> <li>• 4 full court basketball courts</li> <li>• 20 % Green Space and Amenities</li> </ul>	<ul style="list-style-type: none"> <li>• 2 tot lots</li> <li>• Pocket Parks</li> <li>• Linear Park</li> <li>• Central Plaza</li> <li>• Powell Creek Greenway Area (<i>Credit towards CIP cash proffers was given for this land dedication in the amount of \$950,000</i>)</li> <li>• Neighborhood Center: 1 Pool and clubhouse</li> <li>• Dog park</li> <li>• 1 Basketball court</li> <li>• \$500/unit towards regional public recreation, approximately \$611,00 total</li> </ul>	<ul style="list-style-type: none"> <li>• 2 tot lots</li> <li>• Pocket Parks</li> <li>• Linear Park</li> <li>• Central Plaza</li> <li>• Powell Creek Greenway Area (<i>Credit towards CIP cash proffers was given for this land dedication in the amount of \$950,000</i>)</li> <li>• Neighborhood Center: 1 Pool and clubhouse</li> <li>• Dog park</li> <li>• 1 Basketball court</li> <li>• 1 additional Pool and clubhouse proposed with Proffer 13</li> </ul>

The applicant has proffered to provide additional recreation amenities in Block D-2, C-2, or C-4 to include a minimum of 3,500 square foot pool and deck along with a 1,777 square foot clubhouse/exercise facility (Proffer 13). Staff supports this additional proffer but the wording should be revised to clarify that 3,500 is the minimum size for the pool and the deck, in addition to the clubhouse. However, based on the estimated cash proffer value of the additional amenities, it does not completely off-set what would have been provided with Proffer 8. With \$500 proffered per unit and a maximum build-out of 1222, the estimated total value of the existing proffer is \$611,000. Parks & Recreation staff estimates the cost of the pool and clubhouse facilities at approximately \$456,000. The value of the proposed recreational amenity on-site would be the equivalent of a \$500 cash proffer on 912 residential units. One approach to mitigating the remainder of the recreational impacts might be to apply the \$500 cash proffer for off-site recreational facilities on units 913 – 1222.

The intent of the recreational cash proffer was to address off-site impacts. Development of the greenway along the Rivanna River and active field space for practice and competitive sports fields remain high priority implementation projects in the Places 29 area. The additional on-site amenities will not help address those recreational needs but will provide additional on-site opportunities for residents within Hollymead Town Center.

Proposed Proffer 13 does not address off-site recreational impacts and the estimated cash value of the substituted amenities does not equal the original proffer. Staff believes that the applicant should propose alternatives to adequately address these impacts.

**Proffer 10 Phasing Plan-** At the time this proffer was offered in 2007, there was no commercial or residential use on the ground and the phasing proffer was to assure mixed use within Hollymead Town Center. Now we have both residential and commercial in this area. Neither Community Development nor Economic Development staff have concerns with the change.

**SUMMARY AND ACTION:**

Staff has identified factors which are favorable and unfavorable to this request.

**Factors Favorable:**

1. Affordable housing proffer changes related to banking provisions provide additional flexibility.
2. The County's Housing Director does not have concerns with elimination of the percentage of for-sale units in the development.
3. Changes proposed to the phasing proffer should not affect the County's desire to ensure that both residential and non-residential activities take place in Hollymead Town Center.
4. Significant on-site amenities for residents are proposed.

**Factors Unfavorable :**

1. The proposed methodology in the proffers for calculating the number of affordable units is inconsistent with the Affordable Housing policy and other accepted affordable housing proffers.
2. The cash proffered and accepted by the Board when the property was originally rezoned was consistent with the cash proffer policy and was a reasonable condition intended to address the impacts from the rezoning. The then applicant/owner signed the current proffer form that states the conditions are voluntarily proffered as part of the rezoning and acknowledged that the conditions are reasonable. The proffers were approved under prior legislation and the County is not required to evaluate this request under the new proffer legislation.

**RECOMMENDATION:**

Staff recommends approval of the following proffer amendments:

- Proffer 1-Affordable housing --eliminate the minimum percentage of units required to be for-sale and revise the banking/carry-over requirements.
- Proffer 11-Phasing plan – eliminate the requirement for a set ratio of commercial to residential square footage to be constructed over the life of the project.
- Proffer 13 Recreation amenities-New proffer to provide additional recreation amenities in Block D-2, C-2, or C-4 to include a minimum of 3,500 square foot pool and deck along with a 1,777 square foot clubhouse/exercise facility.

Staff does not recommend approval of these proffer amendments

- Proffer 1-Affordable housing - Revise how the percentage of affordable units are calculated from total number of units within the development to total market rate units
- Proffer 4 - Reduce CIP cash proffer amounts.
- Proffer 8- amendment to remove a cash proffer in its entirety for off-site recreation facilities.



**PLANNING COMMISSION MOTION:**

A. Should a Planning Commissioner **choose to recommend approval**:

**Move to recommend approval of ZMA201600007 with the changes recommended by staff.**

B. Should a Planning Commissioner **choose to recommend denial** of this rezoning:

**Move to recommend denial** *Should a commissioner motion to recommend denial, he or she should state the reason(s) for recommending denial.*

**ATTACHMENTS:**

- A. [Location Map](#)
- B. [Proffers Approved June 8, 2016 and dated May 27, 2016](#)
- C. [Proposed Proffers Dated June 20, 2016](#)
- D. [Hollymead Town Center Code of Development-Green Space, Civic Area, and Amenities](#)