

**Albemarle County Planning Commission
FINAL Minutes May 4, 2021**

The Albemarle County Planning Commission held a public hearing on Tuesday, May 4, 2021 at 6:00 p.m.

Members attending were Julian Bivins, Chair; Karen Firehock, Vice-Chair (arrived at 6:08 p.m.); Rick Randolph; Daniel Bailey; Corey Clayborne; Jennie More; Tim Keller; and Luis Carrazana, UVA representative.

Members absent

Other officials present were David Benish; Jodie Filardo; Charles Rapp, Director of Planning; Andy Herrick, County Attorney's Office; Dr. Stacy Pethia; and Carolyn Shaffer, Clerk to the Planning Commission.

Call to Order and Establish Quorum

Mr. Bivins said the meeting was being held pursuant to and in compliance with Ordinance No. 20-A(16), "An Ordinance to Ensure the Continuity of Government During the COVID-19 Disaster." He said opportunities for the public to access and participate in the electronic meeting will be posted at www.albemarle.org on the Community County Calendar, when available.

Ms. Shaffer called the roll. All Commissioners indicated their presence, except Ms. Firehouse, who was en route.

Mr. Bivins established a quorum.

Other Matters Not Listed on the Agenda from the Public

There were none.

Consent Agenda

Approval of Minutes for April 6, 2021 and April 13, 2021.

Mr. Bivins asked the Commissioners if they wished to pull anything from the consent agenda and heard no requests to do so.

Mr. Keller moved to approve the consent agenda.

Mr. Bailey seconded the motion, which carried 6:0 (Ms. Firehock arrived late).

Public Hearings

CPA202000001 Housing Policy

Dr. Pethia, Housing Policy Manager for Albemarle County, informed the Commissioners that the presentation would cover an overview of the process followed for drafting the proposed policy and the proposed housing policy itself, a summary of the feedback received during the February public

comment period, key changes to the policy document since the December work session with the Planning Commission and Board of Supervisors, and then once the presentation was finished, staff would be available to answer questions.

Dr. Pethia presented a timeline for the original policy in play currently that was adopted in 2004 and readopted into the comprehensive plan in 2015. She said the Planning Commission has been working on affordable housing policy and different types of housing-related items since 2016 when they held a work session on affordable housing. She said there were work sessions held with the Planning Commission in October of 2020 and a joint Board of Supervisors and Planning Commission work session in December of 2020. She said the draft policy was made available to the public for comments during February, which led to another work session with the Board in March of 2021, and then to that day's public hearing.

Dr. Pethia said the recommendations to update the policy itself came out of the 2019 housing needs assessment that was released by the Thomas Jefferson Planning District Commission, and after reviewing that report, there were four high-level rationales for updating the policy. She said the population in the County is expected to continue growing and between now and 2040 really increasing by about 27%. She said there are about 10,000 households in the County that are paying more than the recommended 30% for their housing costs.

Dr. Pethia said that along with the population growing, the population is also expected to age, so over the next 20 years, the senior population is projected to increase by about 26%, so there is really a need to begin looking at how to accommodate changing needs as people get older.

Dr. Pethia said it is also looking at the needs of the homeless population and households who are differently abled.

Dr. Pethia said there was a community input period held between October and December 2019, and the policy objectives and strategies seen in the proposed document were developed after feedback received during that time period. She said approximately 400 community members engaged with that process, and then between October 2019 and February 2020, staff worked with a seven-member stakeholder committee to review that community input and draft the policy document.

Dr. Pethia said the policy document itself was written to support the vision of the County and the current housing goal and contains 12 policy objectives and 39 strategies and action steps that address seven broad policies themes. She said these have been discussed before, and include increasing the overall housing stock to make sure that all future populations can live in the County who want to, increasing the supply of affordable and workforce housing, preserving existing housing and communities, increasing opportunities for community engagement in housing policy work in the County, looking at fair housing and community equity issues, homelessness and special needs populations and their housing needs, and to support the creation of sustainable communities throughout the County.

Dr. Pethia said there are several key strategies that staff would like to propose, and these are different from the current housing policy and expand on the work that has been done since 2004. She said these strategies include increasing the amount of affordable housing required in special use permits and zoning applications from 15% to 20%; expanding the definition of affordable housing to include the workforce housing category; looking at implementing rental inspection districts to help address housing quality issues and preservation of rental housing; looking at the

possibility of identifying housing rehabilitation zones which would allow the County to provide a number of regulatory adjustments to support affordable housing development; implementing and adopting an affordable dwelling unit ordinance; and then really looking at tracking data related to housing that is not being checked presently including neighborhood indicators, looking at equity measures throughout the communities, and also affordable housing impact statements. She said these are some of the key differences between current policy and those being proposed.

Dr. Pethia said in terms of implementation, the proposed policy identifies six strategies for priority action. She said these include exploring options with County-owned land to develop a permanent affordable housing community; looking at providing incentives to developers to increase the production of affordable rental and for-sale housing; implementing an affordable dwelling unit program; developing and implementing a housing trust fund; establishing a standing housing advisory committee to provide opportunities for community engagement with housing; and then working in partnership with nonprofit partners and private developers to create additional permanent supportive housing opportunities for homeless individuals.

Dr. Pethia said should the housing policy be adopted, staff would begin working on all six of these immediately, but the six-year timeframe provides and works in time for staff research, work sessions that will be required with the Board and Planning Commission, and also time needed to construct new housing units, particularly for the last strategy for permanent supportive housing.

Dr. Pethia said the proposed policy also provides a number of metrics that will be measured to help track progress toward meeting the affordable housing goals. She demonstrated the broad-based metrics and said as new policies and programs that are recommended in the policy are implemented, there will be additional metrics for each of those programs and policies to evaluate their effectiveness then.

Dr. Pethia reviewed the public comments that were received in a broad overview. She said that a total of 72 community members visited the website and completed the survey, submitting 172 comments. She said that public comment period was held through a public input platform that the County has used, and there were also opportunities to look at the policy on the County's website. Dr. Pethia said that 90% of the participants in the survey indicated the proposed policy either very accurately or somewhat accurately reflects their vision for housing in the County, and that high support for the policy continued throughout the rest. She said overall, the survey participants demonstrated a good deal of support with 59% or more of respondents indicating the proposed objectives and strategies address the County's housing and community needs.

Dr. Pethia said based on feedback from the Planning Commission and the Board of Supervisors during the work sessions the previous year and the comments received through the community input, there have been some changes made to the policy from the last time the Commissioners had seen it. She said there is a full list of those changes included in the agenda packet, but she would highlight some of the big changes. She said there has been a summary of the policy objectives and strategies added to the beginning as a quick reference guide. She said that staff added definitions for minimum affordability periods (Page 10 of the document), updated the number of units in the residential construction pipeline to give a better picture of what would be needed to meet the projected needs to 2040. She said that staff added Strategy 4c to explore options supporting homeowner efforts to connect to the public water and sewer system (Page 25), and staff also updated, where possible, many of the charts and tables to the most recent census data to give a better picture of housing needs in the County.

Dr. Pethia paused for questions.

Mr. Randolph said he had his notes from the last meeting on August 11th, and he had urged Dr. Pethia to be less bureaucratic and safe. He said he felt that had been done with some boldness now and a strong social and economic equity emphasis in the document that he had thought was missing in August. He said it was much clearer and more defined and less tentative than in August, and he wanted to compliment Dr. Pethia about that.

Mr. Randolph said Dr. Pethia had changed the Albemarle County affordable housing paradigm in the presentation and had definitely looked at that crucial sector of people looking for housing at 60% and below AMI, which really had not factored into the official equation of either the Board or Planning Commission in past years. He said he is happy to see that. He said that it is more intentional here with public transit (mentioned in Objective 12a). He said there is still not as much public transit interface in the document as he thinks there needs to be, because if people are having difficulty paying for housing at 60% AMI, they certainly cannot afford the upkeep of an automobile, especially if there are two people working and both need automobiles to get to work. He said it would be wonderful if everyone could bicycle and e-bike, but things are not there yet, mainly because the road infrastructure is not there to allow safe use of those roads to inspire confidence.

Mr. Randolph said with 10c, there is much more integration in fusing homeless strategies into the affordable housing objectives, and he gave kudos for that. He said the language now is more directive with much less promoting and much more supporting, requiring, and emphasizing what the County's responsibilities are here.

Ms. Firehock echoed Mr. Randolph's comments about transportation. She said she also made a big point about that the last time because it is also very expensive to try to provide all the affordable housing in the urban ring. She said by providing transportation to more affordable housing, a lot of those needs can be addressed. She said perhaps there could be more emphasis placed on that.

Ms. Firehock said that in Attachment 3 with the table which shows the different sectors of work, she wondered if it was possible to split out somehow workforce labor (fire and rescue, police, teachers). She said that is a specific group of public servants that cannot necessarily afford to live in the County, and she felt they need special attention. She said there are a lot of communities that have put together special down payment assistance programs for police, teachers, and fire and rescue.

Ms. Firehock echoed Mr. Randolph and said she thought this was so great and has come a long way. She said she was enjoying reading it as she is an affordable housing nerd.

Ms. Firehock said one thing that could be emphasized more, and maybe the place to do it is on Page 16, is to talk a little bit more about assisted living because there is a lot of attention given to aging in place and retrofitting housing so that people can stay in their home, but she knows there are also a lot of people for whom it is not just a matter of putting in more bars in the shower and more wheelchair-accessible ramps to their building. She noted some people really need to go into an assisted situation, and she recently was helping a neighbor of hers and had to price assisted living in Virginia and went all over the region getting pricing; the cheapest thing she found was in Roanoke, and it was around \$2,600.

Ms. Firehock said the point is that there was nowhere in this region that this person could afford as a retired librarian of Albemarle County. She said that needs to be looked at because while there is assisted living in Scottsville and Crozet that is affordable, there are wait lists of hundreds and hundreds of people at those facilities. She speculated whether the County could get involved in subsidizing more assisted living units for people or whether the County could try to encourage other providers to come here who are not just providing high-end assisted living like the Colonnades and other places. She said that personally if she ever needed assisted living, the assisted living prices in some of them are more than she makes currently in her full-time salary. She said that might even need a whole page of attention.

Mr. Carrazana said he was encouraged on the public-private partnership section and was hoping to see more of that with multiple publics and multiple privates getting involved. He said his question was likely more for his edification but asked as Dr. Pethia was talking about a measure that limits the loss of inventory to 1% per year whether she could define what is being measured or looked at or constitute a loss of inventory.

Dr. Pethia explained this was working in tandem with the recommendation to conduct a survey of rental properties in general, and so it would be looking at the total affordable housing stock at present and checking that over time and making sure that none of those units are lost. She said that now the way that proffer units are run, particularly with the rental properties, they need to remain affordable for 10 years, and after that, they can go market rate, so after 10 years, a certain percentage of the affordable rental units in the County will be lost. She said it is finding ways to preserve those units over time beyond that 10-year period so that the affordable housing stock is not lost and the County is not constantly trying to catch up.

Mr. Carrazana said the loss could come in a lot of different forms—it could come in just the form of getting priced out of the affordable market; it could come in the form of taking an existing trailer park and tearing it down and developing it; or it could come in the form of the home just being dilapidated and being torn down or abandoned.

Dr. Pethia agreed that was correct. She said the hope is that once they get a good handle on the number of affordable housing units that exist at present, they will be able to make sure that as they exit the affordable housing arena for whatever reason, there are units in production to replace those, so really looking for a minimum 1:1 replacement every time those units leave the stock, hopefully more than that (2:1 or 3:1 replacement), but making sure the stock does not decrease but instead is maintained and gets better.

Mr. Carrazana said Ms. Firehock had brought up living in place and aging in place and how there are renovations that can happen, but he wondered if they were promoting also renovating some of these older homes, many in communities that are closer to the City and are by routes that are accessible to transit but that are getting to the point that they are probably at the end of their useful life or need renovations. He asked if any kind of program was being promoted to incentivize developers to renovate some of these properties instead of building a home that is at 60% of AMI, which still is a home that is over \$200,000. He noted this is a high AMI area, and it depends on one's definition of affordable, and asked regarding a home that can be fixed and maintained in the stock whether they have looked at similar programs in other municipalities where they incentivize developers to renovate some of these properties instead of building a \$200,000 or even \$300,000 home (at 80% of AMI).

Dr. Pethia said that is something they will definitely look at moving forward. She said there are different ways to preserve affordable units, and that is definitely one of those. She said she knew Richmond has worked on that; they had a lot of older abandoned and vacant properties for which they have a program where they were providing funding to developers, some sort of subsidy, to help them renovate those units and sell them on as affordable housing, so that is definitely something that can be looked at through this process.

Ms. More added to what Ms. Firehock was saying about assisted living that she makes a great point, and there is a grant if people qualify that can help with the cost of assisted living. She said unfortunately what has happened in this area is the facilities have to accept that grant, and most places do not. She noted that the place in Crozet which was one of the biggest facilities where one could find a placement no longer accepts those grants. She said that is a conversation that the Department of Social Services is having with facilities and providers, and she does think it is part of the conversation that should be what the County is having overall.

Ms. More noted that like with a lot of things, that is really for people who qualify who have very low income, but what is seen a lot when trying to work with someone to see if they qualify for that grant is that a lot of people do not because they have "something," but they certainly cannot afford the prices. She said that even with that out there and available, the constraint right now is not being able to find a facility that will accept it, but it also does not help many people who have saved some money and could afford something but not the prices that are seen. She said this conversation is very relevant in addition to social services trying to create conversations and more spaces for those types of placements.

Ms. More said in the implementation part for the financial tools, 2b was to identify a package of developer incentives other than the bonus density, and that is something that was put as an action item in one or more of the objectives, but she saw that it says four to six years for the target for that, so she wondered if Dr. Pethia could talk about that. She said she knows they cannot have everything be right away, but that one seemed important to her, and she wondered if Dr. Pethia could talk about that timing a little bit.

Dr. Pethia said a lot of that will be done in tandem with the zoning ordinance update to make sure that they work together, so that is why there is that longer timeframe. She said there have been discussions already; she has had discussions with planners and others in community development about potential types of developer incentives that could be provided, but again, the four-to-six-year timeframe is a cautious timeframe, and her hope and plan is to try to get things done sooner, but it is going to go in line with the zoning code rewrite.

Mr. Keller thanked Dr. Pethia for the work she had done to get them here. He said Mr. Randolph had articulated a lot of the specifics that are much clearer that they were all thinking about. He said besides speaking for the current Commissioners, who could speak for themselves, these are all things that were begun with past Commissioners Pam Reilly, Daphne Spain, and Bruce Dotson and their particular interest in affordable housing. He said they were excited when Dr. Pethia moved over from the City and think she has shown them her worth many times over on this. He thanked her on that.

Mr. Keller told Dr. Pethia that he always wants to hold her feet to the fire on the rural affordable housing issues and said there are many things that others are covering, but just to get this in the record and to build on what Mr. Carrazana was saying, he thinks that there are measures for that 1% of housing stock loss in the rural areas by using the real estate assessment. He said he is

interested in home ownership of affordable housing and thinks more of that will be seen in the rural areas—that line between affordable housing and yet some degree of substandard (he said he hated to use that word as it was laden with a lot of past problems and injustices).

Mr. Keller said he thinks that they could annually look at owner-occupied houses below the AMI at different levels in the rural areas. He said it would be a relatively easy query, and they could then compare a current year's number to a previous year's number to see whether losses are starting to be seen. He said some of those as Mr. Carrazana alluded to are older folks who are moving out, and no one is moving in, and those buildings are being lost completely (in some cases, they almost have to). He noted that in other cases, they are being upgraded, and the Commissioners have actually had some letters that have come in within the last year of where they are starting to see significant upgrades because these are small parcels of, for example, pre-zoning one-half acre to five-acre pieces of property with houses that are being torn down and then reworked at well above the AMI housing, so they are coming out of that category.

Mr. Keller said he thought that Dr. Pethia's way of measuring was an excellent one for that set of especially the rentals, and that is the way to get at it, but there are these other categories. He noted as they were talking about the people who have not been privileged to be able to pass ownership of property from generation to generation, this was a case of where they did have that, and he thinks they need to be looking at that and seeing whether they can improve that continuity of ownership.

Mr. Clayborne said he believed it was Objective 8 that he was trying to find that talks about removing regulatory barriers. He asked if there was anything in the State Code that is a barrier that may need to be removed; in other words, are there advocacy efforts that need to be looked at as state law to help facilitate the affordable housing program that can be done through VACo or whatever the advocacy arm is.

Dr. Pethia said she could not identify anything off the top of her head, but she could go through her notes where she has had conversations with other groups and get back to him on that.

Mr. Randolph told Dr. Pethia he wanted to go through a couple of things where he had a question or felt there was an omission. He said Strategy 1a talks about allowing, encouraging, and incentivizing a variety of housing types, but omitted there is any mention of apartment buildings. He said the editorial on March 22, 2021 in the *Daily Progress* by a representative of CAAR talked about a need for the County to expand the growth area, and one of the reasons why there is this concept of the growth area needing to be expanded is engaging in what he calls the "thinking of the Houston mindset" by continuing to expand in a linear outward way and not thinking of the opportunities to expand vertically and moving up.

Mr. Randolph said he was bringing this up also because he knows this is the third rail in Crozet, but it is something that needs to be talked about throughout the County—the role of growing upward rather than continuing to expand outward in a linear direction—and apartment buildings do have opportunities for allowing, encouraging, and incentivizing a variety of housing levels of buyers and owners and renters within them, he would submit much more so than bungalow courts and even triplexes and fourplexes too, so he would ask to consider in Strategy 1a including apartment buildings.

Mr. Randolph mentioned that over the weekend, he was down at Virginia Beach and had an opportunity there to take a look at 3D construction and noted that Mr. Keller had brought up 3D

construction in the past. Mr. Randolph said he would ask as an action step under 2b to consider the County putting in there that they would encourage and be open to new housing construction technologies such as 3D construction that can reduce overall construction and housing costs, and it could also perhaps be put in there “and other new emerging technologies,” as the rest of the advanced industrial world is now moving rather rapidly in experimenting with new ways of developing housing, and this country is basically five years, if not an entire decade, behind on that. He said he would submit that should be put in as a strategy to indicate that the County is open to change and wants to embrace that going forward.

Mr. Randolph said on Strategy 8b, he would like it to boldly say they would assess the appropriateness and viability of apartment complexes in residentially dense neighborhoods based on traffic, height, size, and character of the community but that they would be open to apartment complexes as a way of trying to provide a greater range of affordable units for a variety of people within communities. He said again that Dr. Pethia had spelled out very well a much clearer roadmap for how to move forward on affordable housing.

Mr. Bivins said it struck him through this that there would be a need for Dr. Pethia’s department to become more than a department of one, and he wondered what the path was to get there. He noted a lot of this requires data crunching, but he questioned how the community would be engaged with; for instance, with the rental condition, he questioned who would deal with that and whether it would be proactive or a violation piece and how they would we get to a place where they would actually be actively engaged in monitoring the condition of the affordable housing as opposed to sitting back and waiting for a violation to be brought to them.

Mr. Bivins said he has been told that in some of the houses which could use repair that people are nervous about saying something because they do not want to be displaced by their landlords or they do not want to go out and engage with “authorities” because they do not want that kind of attention. He asked how they would create an environment where people can feel comfortable expressing that they are living in a condition that is threatening to their health and well-being without feeling as if all these unintended consequences are going to occur, and then who would do that. He said if they are only engaging with people when violations occur, then that has moved to a point where it is a radical change. He said his question was how this would be staffed so that it is more than just a hoped-for set of results, but there are actual results that the team in community development can be actively engaged in helping to achieve with a set of deliverables, or how to build a department so this becomes a reality as opposed to a hoped-for set of nice wants or strategies and objectives.]

Dr. Pethia said there are some good examples of these types of programs across the country. She said she cannot remember the city that she spoke with off the top of her head, but they are very proactive in their dealings. She noted that they have two inspectors that are dedicated to this process; they have done community outreach, and they are to the point where, though not 100% comfortableness among the residents of the buildings, they have started to see a change in that process, so there are some good groups to reach out to. She noted the recommendation is always worded as “researching the feasibility behind this” because it will take some additional staff, and so there needs to be some work behind that to figure out exactly how that would look.

Mr. Bivins asked if the Board of Supervisors would expect to see at some point a list of resources that needed to be put in place in order to enliven this effort.

Mr. Bivins said it made him uncomfortable that the average salary (Page 20) is around \$94,000, but the five categories of roles listed have a \$47,000 average salary, which prompted the thing that he has always felt here that there are a number of people in Albemarle County who derive their income not from employment. He said he assumed Dr. Pethia had chosen those roles because those roles are heavily populated in the community, and so if the heavily populated roles in the community have an average salary of \$47,000, there is a gap there that housing is not going to close. He said though this will be an excellent chapter in the comp plan, the gap of 47,000 to 97,000 would not be closed by having more affordable housing.

Mr. Bivins said the other piece that unnerved him was when he read that 60% of the housing is more than \$300,000 with 40% being over \$500,000. He said that again is not going to be closed by affordable housing. He said those are salaries, assets, people coming to the area with the ability to plop down a down payment of 20% to come up with a mortgage of \$240,000. He noted that is not about affordability but is about economics, and the question is how to have this conversation in the community and what can be done to increase and attract and bring roles to the community that people can think about climbing up and having ladders that they can ascend for better compensation.

Mr. Bivins said he was thankful that Dr. Pethia put all these charts here because he was able to look at the charts and then look at the policy, and he hopes when the new census data comes out, she will have an opportunity to update this, but it was disturbing that 52% of the people live in single family detached homes. He said while he is with Mr. Randolph, he does not know what the psychology is that a person would move from a single family detached home into an apartment, even a 2,000 square foot apartment or a 1,300 square foot apartment, and the American dream has been sold as one's own plot of land with some daisies and a barbecue in the backyard with 52% of the rentals being single family detached housing.

Mr. Bivins said he did not know how to start this shift, that idea that it is okay to be in a different kind of house, and it is not when Ms. Firehock's librarian friend, for instance, decides to age into a different place that she has to struggle with it being the first time she has had to consider this. He thinks they will tweak and Dr. Pethia will hopefully get the right resources to do this, but at the end of the day, this is about the economy and what the drivers are in the economy, so not only are they closing the gap but are also giving people the opportunity to climb up the ladder so that they might be able to, if they so desire, afford a \$300,000 plus house if they want that.

Mr. Bivins said he was glad Dr. Pethia went to 20%; that feels much better to him. He noted his colleague, Mr. Keller, is always talking about Holland, and he has some friends over there that sent him something knowing what he is doing. He said in Amsterdam right now (and he is not supposing that they would do this regardless of what the press may say) when new developments happen, 40% are affordable, 40% workforce, and 20% market rate, which is a bold statement about what they are doing in Amsterdam. Mr. Bivins said he was not supposing they would do that here, but sometimes big things have to be done to get big results. He said the whole idea of a land trust and figuring out whether or not land that is owned by the County can be used to create these kinds of communities there, the kinds of things have been happening all around the world, he thinks is something that Dr. Pethia is suggesting and hopefully something that they will be able to do.

Mr. Bivins said the one thing he would ask is why rentals and for-sale housing are different years and not the same years, why they both are not 40 or why they both are not 30, and why they are treated differently.

Dr. Pethia said this has been done recently with other projects, so the 30 years for affordability is in line with the low-income housing tax credit program compliance. She said the 40-year affordability for home ownership units is based on the affordability period for the Southwood Performance Agreement.

Mr. Bivins said that was cool and confusing. He said the narrative that they were saying to the community is that one kind of home resident gets one kind of protection, and the other kind gets another kind of protection. He said he would hope as this is moved through that they say they believe in affordability, and that looks like this in this particular community with a universe of projects around it to sort of help Dr. Pethia to do that and not be driven perhaps by the decision that was done there with Southwood.

Mr. Keller referred to the bigger economic structure that Mr. Bivins had alluded to. Mr. Keller said he did not know whether everyone had had a chance to see it or read it, but he encouraged all Commissioners to look at the just-out critique of the proposed City land use plan by CLIHC entitled "Why Building More Market-Rate Housing Will Not Solve Charlottesville's Housing Crisis." He said this is something that many of them had been saying, that that particular part of build/build/build is not going to create enough housing that it is going to solve the affordable housing crisis, and speaking for himself, he knows it is much more complicated than that. Mr. Keller said this is a very good piece in discussing that, so he would encourage everyone to look at that.

Mr. Keller noted Mr. Bivins had referenced Southwood. He wondered if as a body they were going to talk about the Charlottesville-Albemarle affordable housing coalition letter that they just received and whether Mr. Bivins was going to go through any of the points in that.

Mr. Bivins said he was going to do that when they came back to the Commission because he did not know if some of them were going to be on the line that evening, same with the piece that they received from Scottsville too.

Mr. Bailey said he appreciated all the work Dr. Pethia had put into this. He said this was a huge step forward, and he appreciated the greater treatment to accessibility and universal design standards that was placed in #11. He said he was a data nerd, and it jumped out to him and woke him up on Page 24 that she listed nearly half of these assisted multifamily properties' affordability period would be expiring in affordability in the next eight years. He said the question he had is how that is offset with what is in the pipeline and where the gap is, whether they were already at risk of not meeting that 1% loss per year and behind the eight-ball based on what is coming online versus what is aging off in eight years.

Mr. Bailey said he agreed with Mr. Randolph that a lot of these affordable units are in the high rise multifamily build finds, and being able to make allowances and provide more land for that is a way to allow for more affordable units with more mass. He wanted her comments so he could understand how far behind they are, and that comes in concert with some of the timelines about what they need to be thinking about, how long it is going to take zoning, and if it takes a 4 to 6-year process with half of the stock going away in eight years, how far behind they would be.

Dr. Pethia said the properties listed in that table are the ones that have received some sort of federal assistance, whether that is low-income housing tax credits or funding through the federal HOME Investment Partnership program, and those tend to be owned by nonprofits. She said she fully expects many of those will apply for additional funding to substantially rehab the units and

does not actually expect them to go away, but there is always that risk, so she thought it necessary to highlight that.

Dr. Pethia said it is difficult to say how far in the hole that will be because they do not have a good handle on affordable units that are not on that list, so there are units that are affordable simply because they happen to be smaller or older units, and that is why it is important to do a survey. She said it is easier to do surveys of rental units to get a good handle on what is affordable now and get that inventory counted to know where things stand and so it can be watched over time.

Mr. Bailey mentioned as far as having a sense of what is affordable, there are tax records and a purchase price listed to a house being sold, and one can even buy the data from Zillow that would have the prices, and he wanted Dr. Pethia's opinion as to the issue, whether staffing or time, with presenting the data gap to understand the affordability from purchase.

Mr. Pethia said they just had not had time to do it yet; it is a good project for an intern or a student. She said once they have a housing policy and know what can be done to move forward, that would really be working with the university to see about getting a student who would be willing to work on that as their project for the year. She said it is very time-consuming to be able to sift through and make sure that the data is clean and not being double counted through the tax records, that kind of thing, so it is time consuming, and she needs an intern.

At 8:00, Mr. Bivins called for a 5-minute break before going to the public comments.

Mr. Matt Lawless said he represents the town of Scottsville as town administrator. He said their town council appreciates the service of this commission in partnership with their local work. He said Mr. Randolph and Ms. Firehock are very familiar with the town and have advised him many times. He said he also enjoys working with County staff. He said they are now distributing the Monacan history books with the equity office and jointly supporting start-up businesses with the economic development office. He said for those not familiar with progress in town from the new restaurants to the fully booked farmer's market to come on down, and he would be happy to give a tour.

Mr. Lawless commended the Commission for the good planning and strong action obvious in the housing policy. He said as a very junior partner in this work, Scottsville is with them. He said his comment is that the proposed housing policy and comprehensive plan amendment do not adequately represent the Town of Scottsville as an active partner. He said he respectfully submits two very minor edits to describe their current partnership and better position them for growth together. He said town council adopted an updated comprehensive plan in 2018, then followed up with two planning grants and a west downtown small area plan in 2020. He said he expected to see about 10% population growth over the past decade when census results come out, and their comp plan calls for roughly doubling the town's population by 2040. He said to meet this goal, their action items are zoning text amendments and map amendments. He said town council has a public hearing on the first batch of these in June.

Mr. Lawless said they have proposed to legalize quadraplexes in most of town and incentivize cluster development. He said upstairs apartments are legal in the historic district and that he lived above the coffee shop and pays \$950 a month. He said to maintain housing supply, they are taking a housing-first economic development strategy and talking to good-quality builders now. He said they are building parks and walkable infrastructure. He said recent grants from VDOT for sidewalks and Virginia Outdoors Foundation for conservation easements have serious match

commitments in their local budget. He said considering such energetic work, town council is disappointed that Scottsville does not appear very often in Albemarle housing policy documents, and this includes the housing policy. He said they want to be part of the regional solution. He therefore requested the edit of adding the town of Scottsville to the partner list in Strategy 3e; on document Page 21 of the housing policy, the partner list is Strategy 3f, same edit.

Mr. Lawless said one small factual detail would help to show the town's context and connect their plans to the County's. He said the County's objective for and narrative on older housing stock is very true for Scottsville, and he would offer this detail for the policy document (Page 22) that in Scottsville, 85% of housing stock is of pre-1970 vintage, and that would help to prove their point. He said stepping back, Scottsville suffers somewhat in County planning being neither fish nor fowl, neither rural area nor development area.

Mr. Lawless said town council believes that development area designation fits them better, and they said as much in a joint meeting with the Board of Supervisors in 2019. He said when one considers what a development area is and means—mixed use and density, a library, sidewalks, utilities, vibrant growth—that is what Scottsville is and wants to be. He said he knows the housing policy is not the place to make this policy change, but he wants to be heard that this is their goal, and they hope the future work on the County comprehensive plan will help them to achieve this stronger partnership together. He thanked the Commissioners for their time and consideration of his two suggested edits.

Ms. Carrie Klosko, attorney at the Legal Aid Justice Center, said she was there for CLIHC, which is the Charlottesville Low-Income Housing Coalition. She thanked Dr. Pethia and the County for their work on this plan. She said CLIHC thinks it is a really good start. She said they do have some recommendations to make it more robust. She said they detailed those recommendations in a letter they had sent to the Commission back in February but wanted to say out loud the CliffsNotes version of those recommendations.

Ms. Klosko said first and perhaps most importantly, they want to comment on the definition of affordable housing in this document. She said affordable housing in this plan is defined to be affordable to people earning 60% of the area median income, which is a good start; often affordable housing in these kinds of discussions means 80%, but in this area, 60% of the median income for a family of four is a little bit over \$56,000 a year. She noted that while that may not sound like a lot to people in the area, for perspective, somebody earning that level of income would not qualify for her services at legal aid—such a person would be earning too much money for her to represent them. She said what that means is defining affordable housing this high allows a lot of the neighbors who are most vulnerable and need the most help to be overlooked. She said for that reason, they at CLIHC are recommending that affordable housing be defined in this plan to mean people earning at or below 50% of the area median income and that priority be given to families at or below 30% AMI because these are the people who are most affected.

Ms. Klosko said CLIHC also had a recommendation about land use. She said they recommend that the County evaluate areas where infill development can occur in order to undo a history of racial segregation and exclusion. She said they recommend that resource-rich neighborhoods be identified preferably near public transportation to invest County funds and other support to begin making amends. She said they have recommendations related to zoning and recommend that the County enact the strongest inclusionary zoning code permitted by law, shape the code with the goal of incentivizing and favoring affordable housing production utilizing tools such as but not limited to density bonuses and extra allowances.

Mr. Neil Williamson said he was president of the Free Enterprise Forum, a privately funded public policy organization focused on Central Virginia's local government. He thanked staff for being so engaged over these last 18-24 months, and they had been a part of these conversations. He said the Free Enterprise Forum supports housing affordability. He said they support more housing everywhere for everyone. He said they continue to have significant concerns with many of the strategies put forth in Housing Albemarle. He said that many years ago, Albemarle's affordable housing policy included a 15% inclusionary zoning mandate for affordable units. He said this policy created less than 50 units in 15 years, a failure. He said now the plan is to expand that percentage to 20%. He compared that to the watermelon salesman who lost money on every melon and decided he needed a bigger trunk.

Mr. Williamson said the answer to exclusionary zoning is not inclusionary zoning; it is the relaxation of overly restrictive zoning regulations that exist as a legacy of the nation's segregationist past. He said the reality is that inclusionary housing policies that require construction of 20% of new units to be subsidized units increase the price on 80% of the product produced if it gets produced at all. Mr. Williamson said considering Albemarle's recent propensity often on a 3:3 vote to deny or defer development with increased density, it is much more likely a 20% inclusionary zoning policy will economically force development into larger-lot by-right development with no affordable units. Mr. Williamson said in the Planning Commission work session on this proposal previously, he remembered several members suggesting this policy was not bold enough.

Mr. Williamson said they have three specific concepts they ask to be considered, and the first is cost sharing. He said the new homebuyer should not be solely responsible for paying for this community's affordable housing goals; if the entire community wants affordable housing, Albemarle should dedicate significant broad-based revenue to support that goal. He said these funds could be used to pay down tap fees for affordable units, purchase land in community land trusts, provide down payment assistance, and much more.

Mr. Williamson said the second is to increase by-right density; rather than upping the percentage of misguided inclusionary zoning, Albemarle should examine proactively up-zoning the development area, including Mr. Randolph's growing up concept and perhaps Mr. Lawless's comments about bringing the town of Scottsville into the development area to achieve the density goals suggested in this document.

Mr. Williamson said the third is to increase land inventory, expand the less than 5% of Albemarle's land mass dedicated to development to increase the land supply, and perhaps that of Scottsville as well.

Mr. Williamson said absent the political will to allocate community funds to implement real affordable housing solutions, this document like the one before it is destined to fail. He thanked the Commission for the opportunity to speak.

Ms. Lori Schweller with Williams Mullen said private developers are relied on to provide most of the housing. She said for more affordable housing, there need to be incentives for more economical development. She said generally when one wants more of something, one takes steps to make it less costly to produce. She cautioned inadvertently preventing affordable housing development by making it more expensive to produce. She said they have seen how exorbitant

cash proffers can make approved projects too expensive to build. She said legal mechanisms need to be developed to enable private developers to provide desired affordable housing.

Ms. Schweller said the proposed plan would require a much greater commitment from developers from 15% of units to 20% of units, from 10 years' rental affordability to 30 years, and from 80% AMI to 60% AMI. She said they do not want these expectations to deter developers from attempting to obtain land use approvals and all the good that proffers and SUP conditions can provide to the County. She said not having offsets or incentives in place for years after the policy is adopted would steer developers toward by-right developments, which means more low-density, unaffordable housing; therefore, it is critical that there are developer incentives in place as soon as a new policy is put into action.

Ms. Schweller said a few of the incentives that may help to steer developers toward the housing needed included meaningful bonus density, perhaps coupled with height exceptions that can work out not only in traditional zoning districts but also in planned residential and neighborhood model districts. She suggested real estate tax abatements during the term of affordability, tap fee reductions and waivers through agreements with the Service Authority, County contributions to infrastructure costs, and a fast-track project review for projects meeting affordability goals.

Ms. Schweller said another idea proposed by a local developer is to consider various combinations of the AMI unit percentage and term of affordability variables to allow developers to gauge the market and determine what combination of factors will provide the most needed housing for each project, whether it is 30% of units at 80% AMI for one project or 20% of units at 60% AMI for another. She said the development community wants to provide the housing the County needs, but the County cannot put all of the burden on them, or they simply will not be able to do it. She said they need to make sure that the housing policy, zoning ordinance, and comprehensive plan include mechanisms that enable private developers to produce the affordable housing that is asked of them.

Ms. Valerie Long, also with the law firm of Williams Mullen, echoed the comments from her colleague Ms. Schweller and others that have been made that are similar. She noted that the development community that they work with every day very much wants to support this policy and very much wants to be part of the solution in providing affordable housing in the community. She said in the last 15 or 16 years since the policy was updated to require 15% units with re-zonings, the developers have proffered those units and have done their part in complying with the proffer requirements; unfortunately, the system has not worked, and she thinks everyone agrees with that, and so she shares the comments that it is absolutely critical concerning the regulatory burdens that are in place (and that the draft plan recognizes and even lists in one section that are all barriers to affordable housing) that the action items that are recommended to address those barriers be implemented prior to or at the same time that the new regulatory burdens are put in place.

Ms. Long said if the opposite happens, where the burden of the requirement for 20% of units with new projects at lower affordability levels and longer periods of term goes into effect before any of these regulatory barriers are removed, then she does not think that they will get affordable housing from the development community. She thinks that will tip the scales in favor of having projects be developed by-right in density levels that are completely inconsistent with the designations in the comprehensive plan, that not only will not provide the very needed affordable housing units in the community, but those units because there are fewer of them would have to be larger, would be more expensive, and the problem just becomes exacerbated. She said they hope the

Commission will work with them to help ensure that those regulatory barriers are reduced. She said the plan identifies them very well so it is something that could be done fairly easily as part of a rezoning amendment.

Mr. Bivins closed the public hearing.

Mr. Bivins told Dr. Pethia that she would get to play the role of the applicant and respond to those things, but in addition to that, he asked her to speak to the Charlottesville-Albemarle Affordable Housing Coalition letter. He noted that she had made a big piece of this in the policy about looking at the affordable dwelling unit ordinance—and it seemed like Albemarle was called out specifically in that preamble as being one of the places that can do this—and he asked if she would speak to what she sees there, speak to what she thinks that might mean for the County and how they might go about putting something like that in place, before speaking to the other things from the public.

Dr. Pethia said there are not many localities in Virginia that have the same enabling legislation. She said Loudoun County is one of those; they have a fairly robust ordinance for their affordable dwelling unit program. She noted that she has not read the ordinance in a while and will have to go back and look at it, but she thinks that will provide a good starting point. She said there is fairly wide latitude as to how to design the program, so it is really working with the planning department, obviously with the County attorney's office, and getting feedback from the development community on how to create this program to make it easier for them to comply. She said those will be the next steps. She said because Loudoun County has a fairly robust ordinance themselves that the County did not have to start from scratch, so she does not see it taking an extremely long amount of time.

Mr. Bivins referenced the letter from the Charlottesville-Albemarle Affordable Housing Coalition and asked whether there were any particular items there that she felt would be helpful for the Commission to reflect upon.

Dr. Pethia said she had not had a chance to look at the letter.

Mr. Bivins recommended she spend some time wrestling with it before moving on to the Board of Supervisors. He said there were a couple of things there that were a balancing piece between, for example, getting rid of loopholes and incentivizing the greater affordability, which is similar to one of the issues they heard about with lowering it from 60 further down to 50 to 30, being able to speak to that, and then the whole idea of what homeownership looked like, the various ways. He said Dr. Pethia had spoken to that a number of times, that there is not simply one path to ownership, and being able to speak to that would be helpful, not only for that evening but then also to be prepared to speak to that when this goes before the Supervisors.

Mr. Bivins said they talk about the whole idea of how to keep the inventory. He said that is something that a number of the Commissioners had shared with her, and Mr. Carrazana talked about the 1%, but there is the whole thing of how to keep an inventory that is not only static but also grows and grows in a way that future residents of Albemarle County will have access to, and not necessarily always looking towards the solution being in a new development but using existing units that have already been built. He said those are the kind of things which would be helpful for the Supervisors, and if she had a comment from what he had said to her, to share that.

Dr. Pethia said there are a number of different mechanisms that can be used to preserve housing; much of it depends on whether or not the County provides some sort of investment into those

programs. She mentioned setting up a homeowners' rehab program that would provide grants or loans to low- and moderate-income homeowners. She said they could set an affordability term behind this which would keep them affordable longer, so that could be set in many different ways. For example, the City uses the amount of funding provided to the homeowner to set that term or a blanket term could be done. She said an affordable dwelling ordinance could provide the County or a designee with an opportunity to purchase a percentage of the affordable units that are built, and they could set the affordability term for those units as long as they wanted to. She said that is what Loudoun County does with theirs. She said those are two of the options; there are a lot of good examples across the country of ways to do this. She said it is really researching those and finding the most appropriate ones for Albemarle.

Dr. Pethia said looking at the affordability levels, absolutely 50% AMI and below struggles the most, and that is perfectly understood. She said it is difficult to provide affordable housing without significant financial support into that construction, and that would be difficult for the County to support in large numbers, and that is why they went for the 60% AMI and below. She said in that category anyone who has a housing choice voucher is able to access those units as well, which brings the affordability down to a lower AMI.

Dr. Pethia said those were the ones she could remember off the top of her head from the list, but she can respond to those through an email later.

Mr. Randolph said he wanted to speak to the issue of a small project in the Samuel Miller District and the Scottsville District that is referenced by CHAAHC, which is Southwood. He said what they are asking for on Page 3 is something the Board cannot do, and that is a current Board cannot make a commitment for the Board of Supervisors of a future Board where that future Board needs to follow through on actions undertaken by the current Board. Mr. Randolph said he read in that paragraph that they were expecting Dr. Pethia and the County to make a long-term commitment. Mr. Randolph noted it is in the record of the Board of Supervisors where he was very explicit that whatever was agreed to in phase I in no way preconditioned the Board for phase II; it would be determined by the Board of Supervisors as to how it wanted to proceed if phase II was presented, so the hands are not tied of the housing administrator and the hands are not tied of the Board of Supervisors.

Mr. Randolph said with the Town of Scottsville, he thinks both of the suggestions are fine; there was no intention to omit anything about the Town of Scottsville. He said unfortunately, they got this communication 20 minutes before the start of the meeting, and had he received it several days before, he could have had some discussions with the town administrator about them. He said he has some perspective with having worked with the town and some familiarity. He said both of those suggestions are fine; there was no intent to ignore Scottsville, and they were not treating Scottsville as the "red-headed stepchild of Albemarle County" as one town councilor had referred to the Board of Supervisors' actions in the past. Mr. Randolph said it was fine to be included in there, and their addition makes the report more robust.

Mr. Keller asked Mr. Randolph and Mr. Rapp and Mr. Herrick for a response on the point that was made about the possibility of Scottsville being considered a growth area in the County. He said he has lived there much of his life and knows the history of the desire for independence that used to be expressed, especially by long-term Mayor Thacker, but his question is whether there is some jurisdictional agreement that could occur—or some planning services, or whatever—that might actually allow a lot of things, but certainly as they are seeing the potential for more growth in Scottsville, thinking about that and how those numbers within the total Albemarle County count

for lots of things. He said it is just a 5-minute discussion whether this is something that should be completely put away and does not work or whether there could be possibilities for future considerations.

Mr. Randolph said there is precedent for MOUs between the County and the Town as exist right now for the operation and maintenance of the pump facility and of maintenance of both the dam as well as the dike system in Scottsville, so that MOU was very carefully worked out. He said anything between the Town and the County has to be at a Board level, and he really does not want to say anything that in any way conditions the Board as to what they could do, should do, may want to do, but he would say all of the growth areas that are designated within the comprehensive plan exist within the County, none of which exist within a town.

Mr. Randolph said a town is an entity authorized and created under state law by the General Assembly, and therefore it has different responsibilities; he would worry about a slippery slope in providing services for a town which is not actually a growth area as currently defined in the comprehensive plan with the possibility that other growth areas could therefore urge the County to provide a similar level of staffing support in their growth area—not thinking of any particular growth area, but one or two would come to mind on that basis—so he would urge the Commissioners probably not to have this discussion that is really something that operates at the level for the Board to work out, and that would need to be a negotiated discussion between town council and the town administrator and the Board of Supervisors and the County administrator.

Mr. Herrick agreed with Mr. Randolph that was a pretty big topic. He said towns in Virginia have primary responsibility for their own planning and zoning. He said Mr. Rapp may be more familiar with that based on his history with Culpeper, but to change to something other than the default option of the town having primary responsibility for planning and zoning would be a big discussion probably not just limited to this particular meeting.

Mr. Keller said that has been his inclination as well, but because it was brought up, he thought it warranted a brief discussion here. He said in the future as data is being collected, it might actually be useful as an appendix—whether it is growth management, affordable housing, whatever—to think about how that data is reported because besides being the Town of Scottsville, those citizens are also Albemarle County citizens, and it is part of the full picture of these other topic areas.

Mr. Randolph made one correction that not all of the town of Scottsville is within Albemarle County, so what Mr. Keller just said is not necessarily accurate because there are residents of Fluvanna County that actually are within the territorial limits.

Mr. Bivins asked Mr. Randolph, given what he had just said, if those two amendments from the town manager would still stand.

Mr. Randolph said he was happy to go ahead and make a motion that they be incorporated.

Mr. Herrick said before a motion is made, he would point out that Dr. Pethia had prepared a proposed resolution as Attachment 6 to the agenda, and if there is concurrence of the Commission, staff would recommend approval of this policy as a comprehensive plan amendment. He said procedurally what they did was just have a public hearing on a proposed comprehensive plan amendment, and again, Dr. Pethia had prepared a resolution with lots of good findings in it as Attachment 6. He did note that one thing missing from Attachment 6 was the date of that day's hearing: May 4, 2021.

Mr. Bivins asked whether that would be the last “whereas.”

Mr. Herrick said that was correct and that if there was a consensus to approve the proposed amendment to the comprehensive plan, his suggestion would be that it be in the form of approving the resolution with the date of today’s public hearing noted; to the extent that there were any amendments, those could be made as part of the motion as well.

Mr. Bivins asked if the entire thing needed to be read.

Mr. Herrick said it could simply be a motion to approve the resolution that was attached to the staff report with any amendments that any Commissioner would like to make.

Ms. Firehock asked if they would also include that additional emphasis on assisted living affordability be placed in the document. She said she was not clear if they had to relist all the things that they had said that evening or could just say that they are recommending this move forward taking into consideration the comments from the Commissioners that evening.

Mr. Bivins asked if they were freezing the document tonight or whether Dr. Pethia had the ability to tweak the document given their conversation that evening.

Mr. Herrick said he thought that could be part of the motion. He said they could move approval of the resolution and then to add on additional considerations or to request that staff do additional work prior to consideration by the Board of Supervisors.

Ms. Firehock said it would be taking into consideration the comments that were made by the Commission that evening but without having to enumerate them.

Mr. Bivins said he did want the piece about Scottsville to be explicitly in there.

Ms. Firehock replied just as she wanted assisted living and wanted to talk about workforce housing.

Mr. Bivins said that was a fair comment and observation.

Mr. Randolph said he wanted to make sure that everyone was in agreement that he would move CPA202000001 with inclusion of the comments made by the Commission that evening.

Mr. Herrick asked Mr. Randolph if he was moving approval of the resolution.

Mr. Randolph said that he was moving approval of the resolution with inclusion of the comments by the Commission this evening and the recommendation of the two items mentioning the Town of Scottsville.

Mr. Bivins reminded Mr. Randolph about the date of May 4th.

Mr. Herrick said the motion was in order as far as he was concerned.

Mr. Randolph moved CPA202000001 Housing Albemarle with consideration of the comments by the Commission that evening and the inclusion of the two remarks regarding the Town of

Scottsville and the resolution to recommend approval of CPA202000001 for housing policy update.

Ms. Firehock seconded the motion, which carried unanimously (7:0).

Mr. Bivins thanked Dr. Pethia and told her she had gotten additional information and comments to chew on before it goes to the Supervisors.

Before adjourning, Mr. Bivins encouraged everyone to continue wearing masks and to enjoy themselves outside.

Adjournment

At 8:50 p.m., the Commission adjourned to May 11, 2021, Albemarle County Planning Commission meeting, 6:00 p.m. via electronic meeting.



Charles Rapp, Director of Planning

(Recorded and transcribed by Carolyn S. Shaffer, Clerk to Planning Commission & Planning Boards and transcribed by Golden Transcription Services)

Approved by Planning Commission
Date: 06/07/2021
Initials: CSS