



Albemarle County

Legislation Text

File #: 20-277, **Version:** 1

AGENDA DATE: 4/15/2020

TITLE: Authorization to Execute an Economic Development Agreement for a Public-Private Partnership (PPP) with Albemarle Business Campus

SUBJECT/PROPOSAL/REQUEST: Staff is seeking the Board's authorization to move forward with a development agreement for ZMA201900003 - Albemarle Business Campus

ITEM TYPE: Regular Action Item

STAFF CONTACT(S): Richardson, Walker, Kamptner, DeLoria, Johnson, Newberry

PRESENTER (S): Doug Walker, Roger Johnson, J. T. Newberry

LEGAL REVIEW: Yes

REVIEWED BY: Jeffrey B. Richardson

BACKGROUND: In 2018, the developer obtained preliminary subdivision plat approval and initial site plan approval to construct single-family detached and single-family attached units within the project area under existing R-2 and R-10 zoning. Although these approvals remain valid, the developer applied in April 2019 to rezone the property to Planned Unit Development (PUD) in order to achieve a greater density and include some non-residential components under a layout called Royal Fern (ZMA201900003).

The Planning Commission recommended denial of Royal Fern on October 8, 2019, primarily based on objections to the requested PUD zoning. Shortly thereafter, at its meeting on November 20, 2019, the Board of Supervisors approved the developer's request to refer the application back to the Planning Commission to allow for the consideration of revised plans.

The developer met with the Economic Development Office on January 17, 2020 to discuss revised plans. On February 18, 2020, the applicant held a work session with the Planning Commission to discuss a revised layout of ZMA201900003, which had been renamed to Albemarle Business Campus.

STRATEGIC PLAN: Economic Prosperity: Foster an environment that stimulates capital investments, builds the planned vision and increases tax revenue to support community goals.

DISCUSSION: The revision of ZMA201900003 from Royal Fern to Albemarle Business Campus changed a primarily residential development into a mixed-used proposal that includes significantly more non-residential development. In doing so, the revised plan offers the opportunity for a public-private partnership that can further both community and economic development goals. By engaging early in the process, several County departments worked together to identify public elements from the Comprehensive Plan and Project ENABLE (the County's economic development strategic plan) that could be provided within the project area at a scope and scale beyond what would otherwise be included in the development.

This project is contingent upon 5th Street Forest, LLC, obtaining Board approval of a mutually exclusive

rezoning of the project site. However, if the rezoning is approved, the proposed Development Agreement outlines how each of the identified public elements outlined below would be provided. These elements are shown in the project exhibit at the end of the Development Agreement (Attachment A).

Enhanced Bus Shelter and Bike Racks

At the corner of Old Lynchburg Road and 5th Street Extended, the developer agrees to provide a bus stop with a glass shelter, lighting, adequate seating, and bicycle parking racks. In addition, bicycle racks are to be installed at all buildings within the project.

Connectivity

The site provides multi-use paths, trails, and sidewalks in a way that exceeds what would otherwise be required by County Code. There will be a raised pedestrian crossing to allow pedestrians to safely and easily move across the main internal street.

Conceptual Plans and Space Reserved for Primary Business

The developer agrees to obtain final site plan and building plan approval for a building that reserves 25,000 square feet of Class A office space for a primary business (or businesses). Primary businesses generate more than 50% of their revenues from outside of our region, thereby importing new money into our local economy. For this reason, these businesses are a focus of the Economic Development Office. Many primary businesses desire Class A office space but have been unable to locate in the County due to a significant lack of supply of this type of space. This agreement provides a desirable space and marketing collateral for the Economic Development Office to use over a five-year period to retain or attract a primary business.

Dynamic Transport

In addition to the enhanced bus stop, the developer agrees to provide a space within the development to allow for automobile passengers to safely and conveniently access for-hire, hailed transport services (i.e. taxicab, transportation network partner, or JAUNT vehicle).

Dog Park

The developer agrees to construct a dog park at the rear of the site unless both the County and the developer agree to do otherwise.

BUDGET IMPACT:

Pursuant to the proposed Development Agreement, it is contemplated that the County, through its Economic Development Authority (EDA), will utilize Synthetic Tax Increment Financing (TIF) to rebate 5th Street Forest, LLC, 100% of the real estate taxes paid to the County. The rebate will continue until a total of \$100,000 is paid back to the developer.

In this scenario, the operational definition of TIF is that when new buildings are constructed in the project area, property taxes will expectantly increase. The developer will pay all County taxes and then the County will contribute the incremental increase in property taxes paid back to the developer.

RECOMMENDATION:

Staff recommends that the Board adopt the attached Resolution (Attachment C) to approve the Agreement and to authorize the County Executive to execute the Agreement on behalf of the County once approved as to form and content by the County Attorney.

ATTACHMENTS:

Attachment A: Development Agreement
Attachment B: Resolution