



**CITY COUNCIL SPECIAL MEETING  
December 13, 2023**

**WORK SESSION  
Council Chamber, 605 E. Main Street**

J. Lloyd Snook, III, Mayor  
Juandiego Wade, Vice Mayor  
Michael K. Payne, Councilor  
Brian R. Pinkston, Councilor  
Leah Puryear, Councilor  
Kyna Thomas, Clerk

**6:00 PM City Council Work Session**

- I. Call to Order/Roll Call**
- II. Staff Presentation**
- III. City Council Deliberations on Draft Zoning Ordinance**
- IV. Adjournment**

This is an in-person meeting with an option for the public to view electronically by registering in advance for the Zoom webinar at [www.charlottesville.gov/zoom](http://www.charlottesville.gov/zoom). The meeting may also be viewed on the City's streaming platforms and local government Channel 10. Individuals with disabilities who require assistance or special arrangements to participate in the public meeting may call (434) 970-3182 or submit a request via email to [ada@charlottesville.gov](mailto:ada@charlottesville.gov). The City of Charlottesville requests that you provide a 48-hour notice so that proper arrangements may be made.

The meeting notice was published simultaneously to the public and the governing body on 11/06/23.



## CITY OF CHARLOTTESVILLE

*"A Great Place to Live for All of Our Citizens"*

Department of Neighborhood Development Services

### **Memorandum**

**To:** City Council  
**From:** James Freas, Director, Neighborhood Development Services  
**Date:** December 13, 2023  
**Re:** Amendments to the Advertised Development Code  
**CC:** Sam Sanders, City Manager  
Planning Commission

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This memo provides a summary of design and discretionary review issues and describes potential amendments to the advertised Development Code, particularly the zoning ordinance portion, that are based on staff's understanding of consideration items from Council work sessions as well as additional proposed changes identified by staff. This memo also discusses some of the critical and challenging set of inter-related issues: discretionary review, design review, affordable housing, and displacement.

### **Design Review**

One of the core tensions of the Comprehensive Plan, and this zoning ordinance in its attempt to implement the Plan, is between new development and preservation of the City's existing historic character. Historic preservation is a recognized value of the Comprehensive Plan as it provides a visual representation of the City's changing environment over time as well as contributing to its strong and valuable sense of place. Some of the most iconic and worthy of protection parts of the City, are also those where new and dense development make the most planning sense. Downtown in particular, is clearly a location where there is both historic value in the existing character as well as value in more dense development to meet the City's many other objectives for housing, transit, and economic development.

For the protection of its historic resources, the City relies on a set of design control districts, Architectural Design Control Districts, Conservation Districts, Individually Protected Properties, and Entrance Corridors. Design review is provided for the first three of these by the Board of Architectural Review (BAR) and for the last by the Entrance Corridor Review Board (ECRB), which is the Planning Commission. The current and proposed design review process is guided by Design Guidelines specific to each district, with these guidelines now due to be updated and some Entrance Corridor guidelines are now not fully in alignment with the adopted Comprehensive Plan.

As with any form of discretionary review, design review involves time delay and risk. These factors drive up the cost of development and can challenge the financial viability of a project.

This cost is balanced against the public benefit and value of historic preservation. The objective becomes how the zoning and guidelines can enhance the predictability of the outcome while still accomplishing historic preservation. This objective is best met by establishing clear parameters for the BAR or ECRB's review in the zoning ordinance, discussed below, and by having meaningful design guidelines.

The existing zoning ordinance has some provisions that provide parameters for these design review processes. The advertised ordinance includes further enhancements. Further, if Council deems that more parameters are necessary on BAR review, staff proposes the following amendments to the advertised draft:

BAR Review: BAR review applies in the Architectural Design Control Districts, Conservation Districts, and Individually Protected Properties, described in the proposed ordinance as Major Historic Review. The only clearly stated parameters in the current ordinance are that the BAR must approve an application unless it is found to be inconsistent with the guidelines or incompatible with the historic character of the district. Height and massing appear to be within the purview of this review. In contrast, the advertised new draft ordinance includes language that explicitly allows reductions in height or massing, but also requires the BAR to consider the cost of compliance and the goals of the Comprehensive Plan.

BAR review could be further specified in the proposed ordinance by limiting the degree to which the BAR could reduce allowed height and massing as indicated in the proposed language below:

Sec. 5.2.7.C.2.

c. The BAR, or City Council on appeal, may require conditions of approval as are necessary or desirable to ensure that any new construction or addition is compatible with the scale and character of the Architecture Design Control District, Individually Protected Property, or Historic Conservation District. Prior to attaching conditions to an approval, due consideration will be given to the cost of compliance with the proposed conditions as well as the goals of the Comprehensive Plan. Conditions may require a reduction in height or massing, consistent with the City's design guidelines and subject to the following limitations:

- i. Along the downtown mall, the BAR may limit story height to within 2 stories of the prevailing story height of the area;
- ii. In all other areas subject to review, the BAR may reduce the allowed height by not more than 2 stories;
- iii. The BAR may require setbacks of up to 20 feet.

Entrance Corridor Review: As proposed in the advertised zoning text, Entrance Corridor review would be an administrative review, with either staff or the ECRB having the option to send a project to the ECRB for review. The review criteria (Sec. 5.2.8.D.) clearly indicate that this

review is meant to be of materials and architectural features and not of height, massing, or scale.

There are at least 3 options for addressing concerns within the entrance corridors:

1. Require a setback after 5 stories. This requirement could be in the base zoning or the ECRB could be authorized to require a setback on a case-by-case basis.
2. Council has discussed the idea of adding a discretionary permit in the Entrance Corridors for projects over 5 stories.
3. Council could apply lower height districts in the Entrance Corridors with the expectation that property owners seeking larger projects could apply for a rezoning.

Council also raised the idea of creating a new street type to designate the Route 29 Entrance Corridor, which would have a wider streetscape standard (Sec. 4.4.5). Staff proposes that this new streetscape standard require a minimum clear walk zone of 8 feet and a minimum greenscape zone of 12 feet for a total width from the curb of 20 feet.

**Decision** - Does Council want to include any of the above changes into the Design Control / Historic Preservation language of the ordinance? Are there other changes to be considered relative to historic preservation?

### **Discretionary Review Through Special Permits**

Discretionary review is applied where additional, site-specific policy considerations must be made as opposed to the site specific technical administrative review. While the first is setting policy as it relates to a particular site, the second is enforcing previously identified policies. The primary discretionary review discussed below is the special use permit or special exception permit (collectively, “special permits”).

The special permit process presents well-recognized benefits and challenges. A special permit addresses site-specific features as part of the policy decision for a development to be allowed on a given property. This decision-making process must include articulation of the site-specific reason as to why a proposed development should or should not be allowed on a site. The conditions attached to approval must relate back to addressing those site-specific issues. A special permit review should not politicize the development review process. This process can be unpredictable for developers, which introduces greater risk into the project and greater costs. Some projects become financially infeasible and the special permit process itself can become a deterrent to investment.

The proposed Development Code attempts to address these issues by incorporating a system of standards in the Code itself. These standards form a basis for the site-specific technical review meant to accomplish the public policy goals of the site-specific policy review of a special permit. Essentially, the new ordinance takes many of the different conditions that might be applied to a project through a special permit and puts them in the ordinance as defined standards. For

example, as proposed, projects over 50,000 square feet are required to submit a Transportation Demand Management Plan that demonstrates how the project will address impacts on the City and neighborhood transportation system, including parking. Other standards address affordable housing, streetscape, block size, transitions, and a range of other policy objectives related to development.

Another potential benefit of a special permit process is the opportunity for public comment on a development project. (Notably, state law does not require a public hearing for a special permit.) Localized knowledge and perspectives can bring value to development review. However, the necessarily constrained comment period, generally occurs after there is a fleshed-out development proposal causing some residents to feel that they have not had an opportunity to meaningfully comment. As a result, the public comment period can become more dogmatic, rather than collaborative or solution oriented. The better approach is to engage in community-based planning efforts that can shape the rules and other City policy decisions so that localized benefits of development can be identified up front.

In recent work sessions, Council identified 2 potential new special permit requirements, both associated with height. One is being considered for all projects exceeding 5 stories. The other is being considered for projects over 5 stories in the Entrance Corridor districts, excluding the Route 29 North district (running from Ivy Road to the City limits), the Hydraulic Road district, and the Barracks Road district (running from the City limits to Meadowbrook Road). If Council were to decide to include these requirements in the ordinance, staff would need further direction specifying where the rule would apply and what types of issues or considerations this requirement is intended to address. See Sec. 5.2.15 for the proposed review process and review criteria.

**Decision** - Does Council want to incorporate either of the proposed special permit reviews?

### **Affordable Dwelling Unit Ordinance and Anti-Displacement Districts**

A summary of the current Affordable Dwelling Unit (ADU) ordinance as proposed by the Planning Commission follows:

1. The ADU ordinance requires any **rental** project of 10 units or more to include 10% of units at 60% of AMI for 99 years.
2. The ADU ordinance requires any **ownership** project of 10 units or more to include 10% of units at 80% of AMI for the first owner.
3. There is an option for in-lieu fees as an alternative to providing the units. These fees are specified in the ADU manual, which will come to Council for adoption early next year.
4. A **height bonus** provision allows a project to increase its height by 2 or 3 stories if the above affordable units are at 50% of AMI.

5. A **unit bonus** provision in the Residential districts (R-A, R-B, R-C, RN-A) allows additional units if all those units are affordable.
6. All units must meet requirements for equivalency and concurrency and are subject to compliance monitoring.
7. There are provisions that allow some reasonable flexibility to these standards.

A notable concern with the proposed ADU provisions is the significant difference between the proposed requirements as they apply to rental vs ownership units. One alternative approach to these provisions would be to make the base requirement of the ordinance the same, whether a project is rental or ownership – 10% of units at 60% of AMI for 99 years. Then, for the unit bonus provision applicable in the Residential districts, require all bonus units at 80% of AMI for 30 years for rental and ownership. This approach recognizes that this unit bonus program is a high standard to meet as presented because of the small scale of these projects. This approach also makes the creation of affordable units in residential districts more likely. Further, when the City is a funding source for these projects, we can, through that mechanism, seek deeper affordability or longer terms, if desired.

Two anti-displacement districts are proposed in the advertised draft of the development code, as summarized below:

1. Residential Core Neighborhood District (R-NA) establishes the base density per lot as 1 unit with bonus density available for preserving existing structures and affordable units. This district essentially matches the proposal from the Comprehensive Plan. (Sec. 2.2.3)
2. Core Neighborhood Corridors Overlay District allows additional height over a base of 3 stories where a project includes at least 2 components from the list provided. (Sec. 2.9.6)

Council must identify any remaining questions or comments on these districts as presented, and where these districts should be mapped. The Planning Commission discussed the mapping of these districts and recommended adoption of those proposed areas. Staff have identified some modifications to these proposed district boundaries based on prior Council discussion (see attached).

**Decision** - Does Council agree with the proposed amendments to the ADU provisions or have other changes to this section? Does Council support the Anti-Displacement districts as presented and mapped?

### **Other Items**

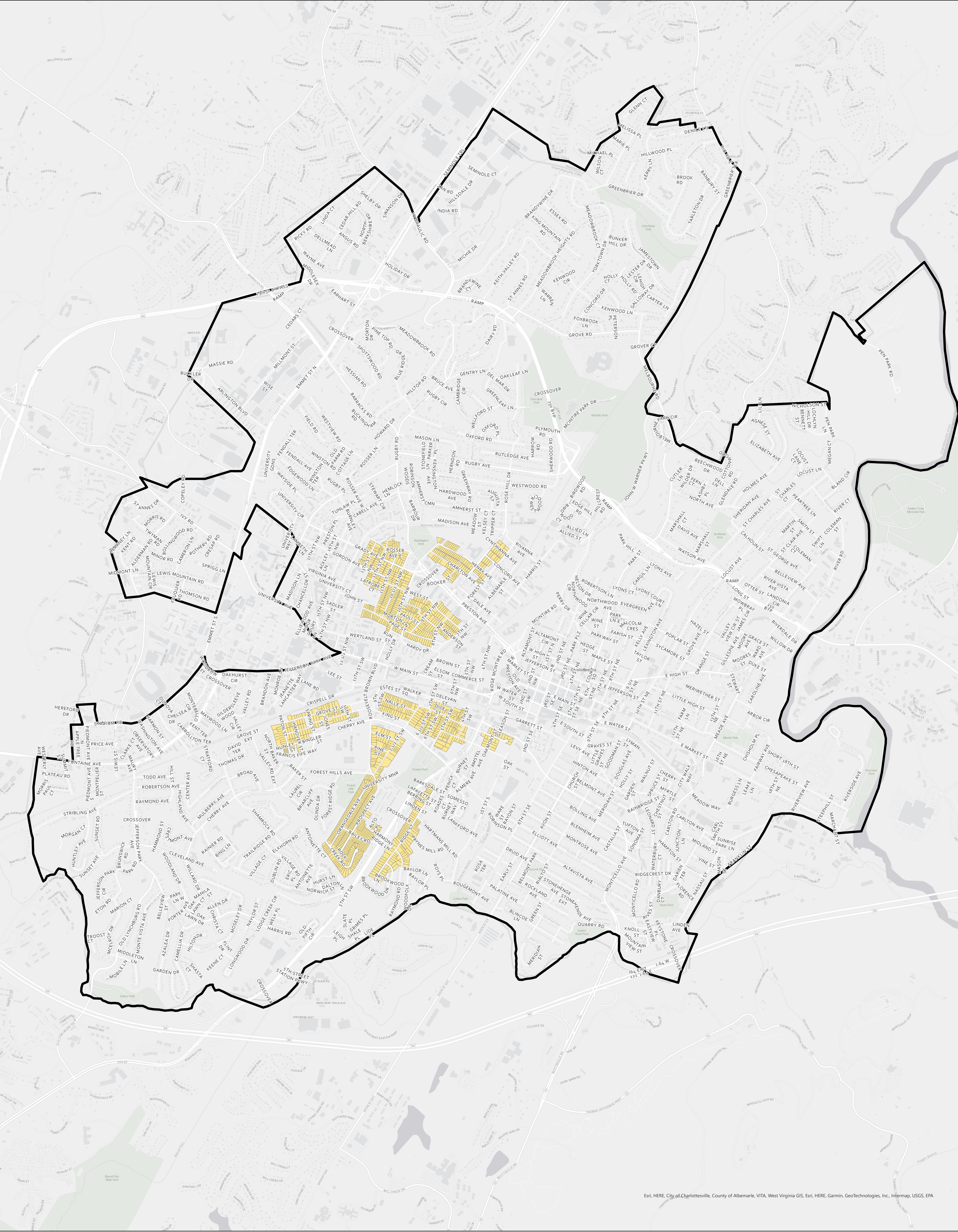
The following is a list of additional potential amendments to the advertised Development Code:

1. Remove the word 'grandfather' from the ordinance and replace with "dispositions of pending projects; vested rights" or similar language as appropriate.

2. In Sec. 4.10.1. Critical Slopes, further define the referenced map of critical slope areas and the term “environmental restoration”.
3. Staff recommends an effective date 60 days following the date of adoption to enable adoption of the ADU and Procedures Manuals, provide adequate time to train staff, and prepare updated application materials.
4. In Sec. 3.3.4.E., add “research laboratory” to the examples of typical office uses. In Sec. 3.3.5.A., update the definition of “Research and Development” to differentiate these uses. The objective is to match what is allowed in the current zoning ordinance.
5. Allow “general indoor entertainment and recreation (4,000+ sf)” and “general outdoor entertainment and recreation” by special use permit in the NX-3 district.

### **Next Steps**

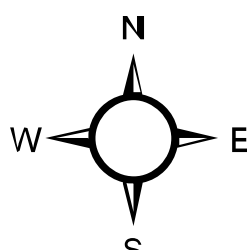
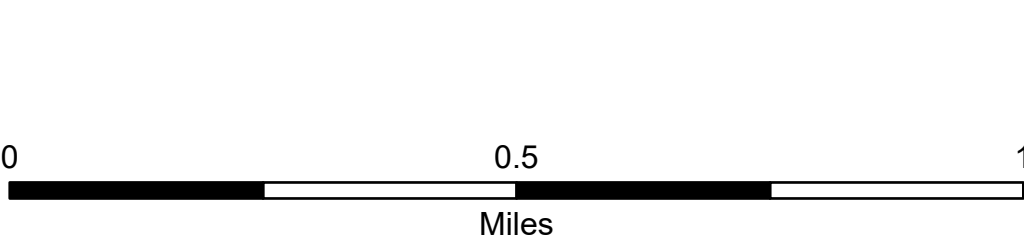
As Council makes these final decisions in anticipation of adopting the new ordinance, staff will prepare a document detailing the specific text and map changes for inclusion with the resolution(s) adopting the new ordinance.



Esri, HERE, City of Charlottesville, County of Albemarle, VITA, West Virginia GIS, Esri, HERE, Garmin, GeoTechnologies, Inc., Intermap, USGS, EPA

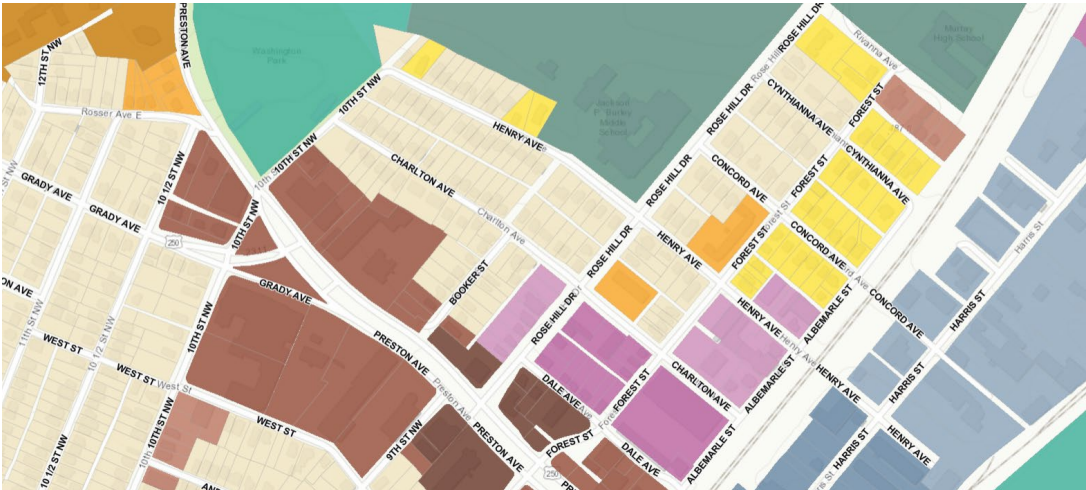
# City of Charlottesville Zoning Map - RN-A (Residential Core Neighborhood A) District

**DRAFT - Oct 2023**

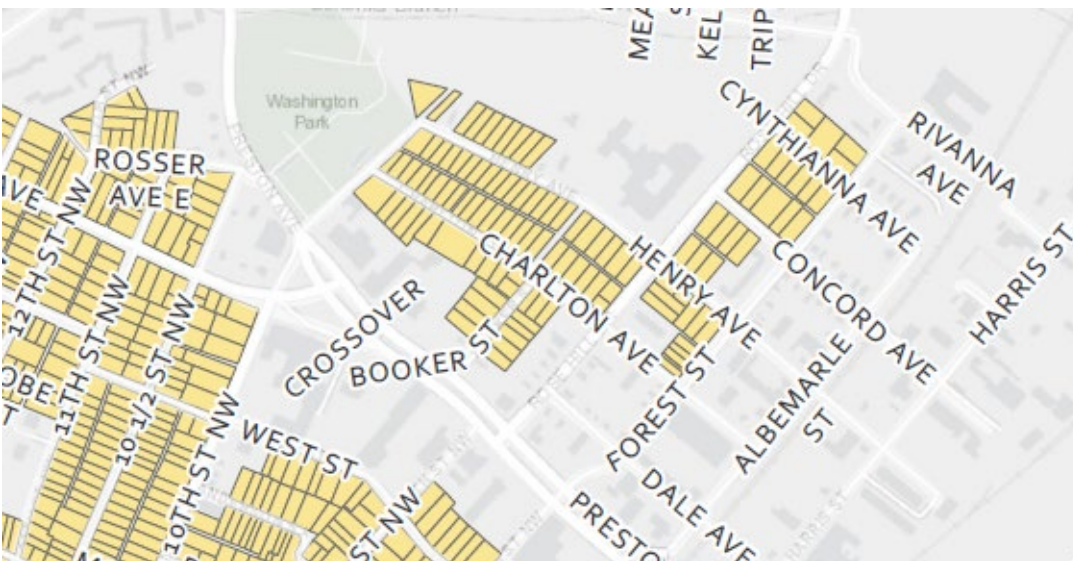


Legend  
Residential  
RN-A

## Potential RN-A areas



Current Zoning Map October 23, 2023



RN-A area in Planning Commission map October 2023



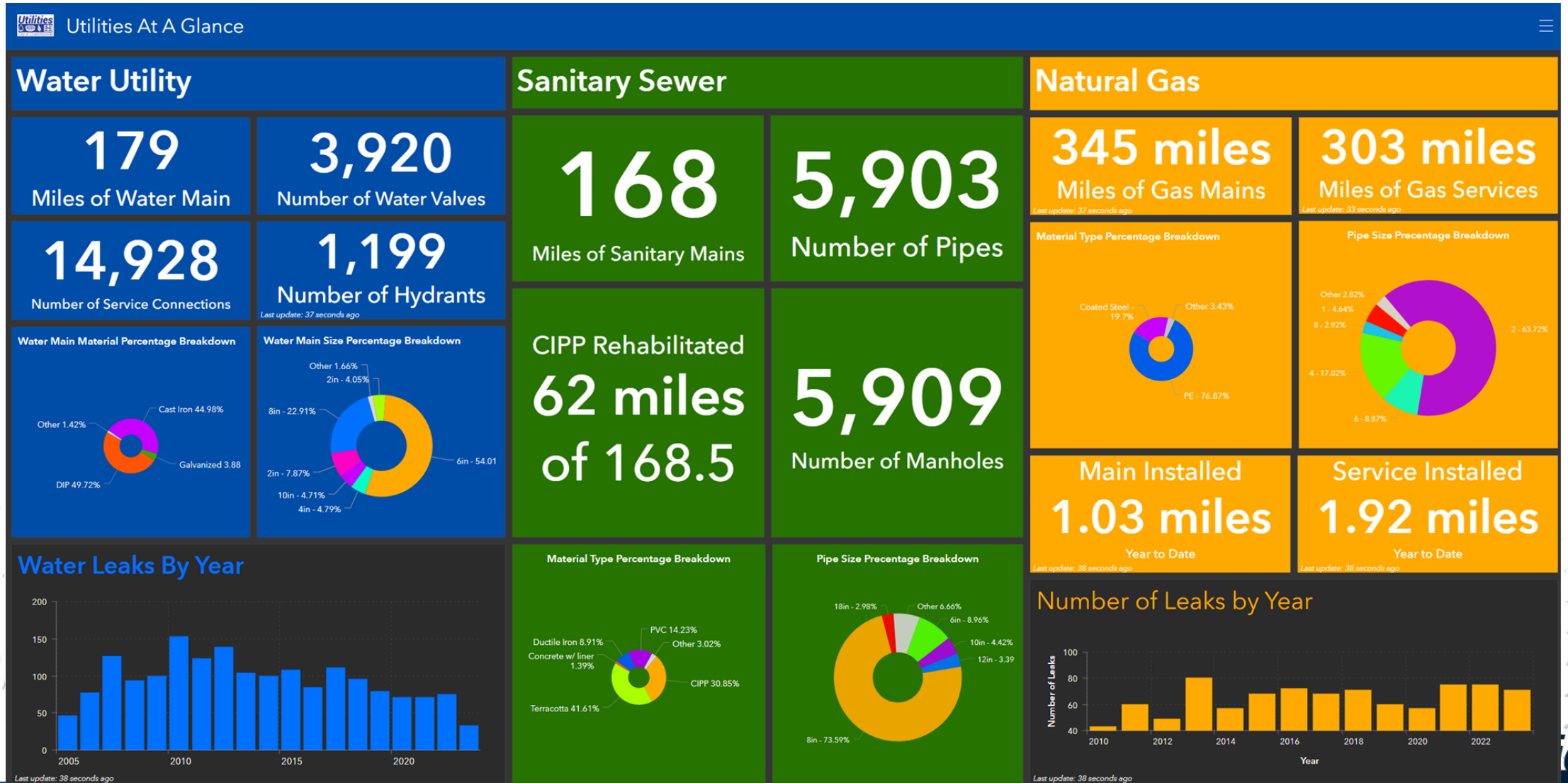
Additional RN-A to consider (Rosser Ave, portion of Rose Hill Neighborhood)



City Council Work Session  
December 13, 2023  
Lauren Hildebrand, P.E. – Director of Utilities

# ASSET MANAGEMENT

## DATA-DRIVEN OPERATIONS



# EXISTING CAPACITY



Modeling



Flow metering - 20% or less is in use



Modeling



- Water and Sewer Systems are evaluated every 10 years
- Water Supply planned for 50+ years
- Water treatment upgrades currently underway
- Wastewater treatment master plan completed to ensure capacity for future

**Development pays for capacity when there is inadequate infrastructure**



# CAPITAL IMPROVEMENT PROGRAM

Prior to 2008, very little replacement or rehabilitation had been completed



Without this aggressive approach, the systems could easily and quickly fall into disrepair, similar to the situation experienced prior to 2008

# CAPITAL IMPROVEMENT PROGRAM

## WATER

2010	Criteria	To date
<p>Water System Comprehensive Analysis</p> <p>Priority list: Living Document with 45 projects</p>	<p><b>Highest Priority</b></p> <ol style="list-style-type: none"><li>1 - Water Quality Issues, Low Fire flow</li><li>2 - Water Main Breaks</li><li>3 - Water Age</li><li>4 - Paving, Sewer Main Replacement, Cost/Benefit Ratio</li><li>5 - Low Pressure</li><li>6 - Traffic, Location</li><li>7 - Wetlands, Natural Landmarks, Development Area</li><li>8 – Water Service Repairs</li></ol>	<p>22.9 miles</p> <p>12.8% of the water system</p> <p>\$30.6 million total construction cost</p>



Significant upcoming projects:

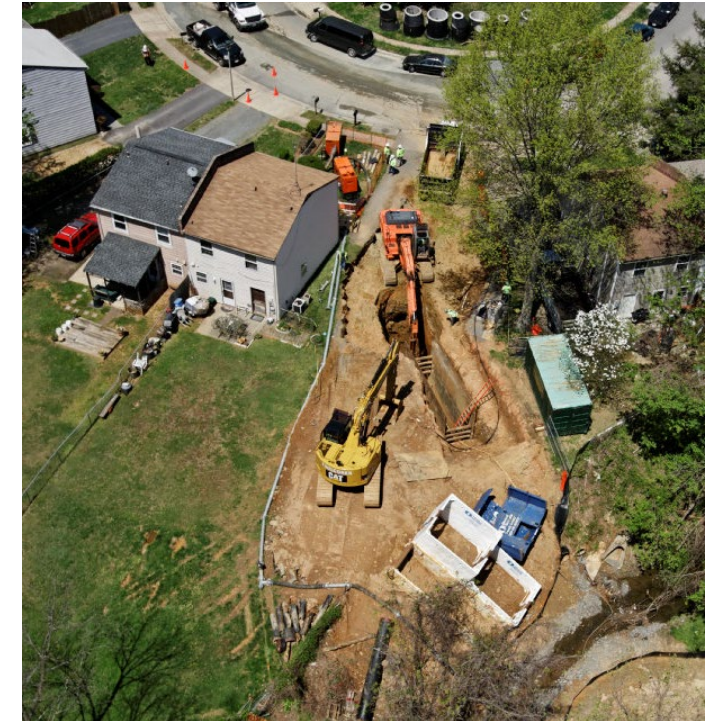
**Locust Avenue** (6,000 LF of 8" ductile iron - \$4.8 million)

**West Main St** ( 7,000 LF of 12" ductile iron - \$ 3.1 million)

# CAPITAL IMPROVEMENT PROGRAM

## SEWER

2008	Criteria	To date
Wastewater System Analysis	<b>Highest Priority</b>	<b>65.1 miles</b>
Flow Monitoring by Basins	1 - Safety	<b>38.5% of the wastewater system</b>
SSES	2 – Health, Sanitary Sewer Overflow	<b>\$33.6 million total construction cost</b>
CCTV Data Analysis	3 – Condition Assessment	
Find & Fix Approach	4 - Paving, Water Main Replacement, Cost/Benefit Ratio	
	5 – Maintenance Impact	
	6 - Traffic, Location	
	7 – Pipe Material	



Significant upcoming projects:

**Schenks Branch Sewer Line** (\$6 million)

**14th/15th Street Sewer Line** (\$8 million)

# CAPITAL IMPROVEMENT PROGRAM

## STORMWATER

2008	Criteria	To date
Stormwater System Analysis by Basin	<b>Highest Priority</b> 1 - Safety 2 – Drainage Issues 3 – Condition Assessment 4 - Paving, Water/Sewer Main Replacement, Cost/Benefit Ratio 5 – Maintenance Impact 6 - Traffic, Location 7 – Pipe Material	10.7% of total public and private pipe has been rehabilitated
Historical Drainage List		13.9 miles
CCTV Data Analysis		5.4% (450) of all storm structures
Find & Fix Approach		\$11.7 million total construction cost



Significant upcoming projects:

**JPA Culvert Rehabilitation** (\$400,000)

**Greenleaf Stormwater Improvements** (\$200,000)

**St Charles Outfall Project** (\$300,000)

# CAPITAL IMPROVEMENT PROGRAM

## BELMONT NEIGHBORHOOD



18.5 miles  
Water Main Lines

30%

of the water system has  
been replaced



16.7 miles  
Sanitary Sewer Lines

46%

of the wastewater system  
has been  
replaced/rehabilitated



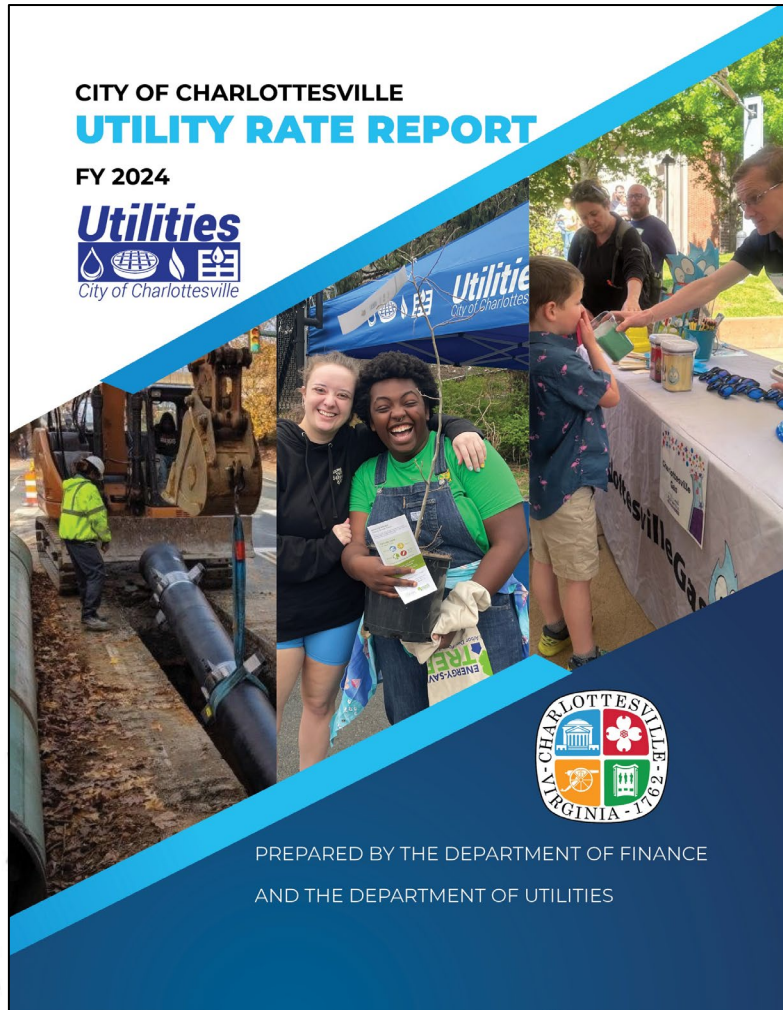
11.2 miles  
Stormwater Systems

21%

of the stormwater system  
has been  
replaced/rehabilitated

**In the past 10 years, 6 overflows/backups reported**

# HOW CIP IS FUNDED?



- The utility budgets are separate from the General Fund and are not supported by taxes
- The Utilities Department generates revenue from the utility rates and fees - enterprise model
- Rates and fees associated with utilities are evaluated annually
- City share of the Rivanna Water and Sewer Authority's costs are included in City Utility rates
- Development pays for capacity when there is inadequate infrastructure

**QUESTIONS?**

## **Council Work Session Decisions**

Understand that these represent preliminary decisions on potential amendments to the advertised draft of the Development Code and are subject to a final decision by Council at the time of a vote on the overall Code.

1. Remove commercial uses from the Residential districts (R-A, RN-A, R-B, R-C).
2. Proposed amendments to the Zoning Map (see attached).
3. Include the 2 Anti-Displacement districts – Residential Core Neighborhood A and Core Neighborhood Corridors overlay.
4. In the RN-A District, allow only one bonus unit for preserving the existing structure, rather than the 2 bonus units identified in the draft.
5. Generally accept the proposed changes to the ADU provisions provided by HAC. However, please note the amendments offered by staff in the Dec 13 memo.
6. In the ADU provisions, student housing would be subject to a fee-in-lieu only and not have the option to build affordable units targeting students.