

Work Session Agenda

1. Introduction – 15 minutes
 - a. Review of the land use chapter review process
 - b. Review of the agenda and how this work session fits into the larger process
2. Demographics – 20 minutes
 - a. Race
 - b. Age
 - c. Tenure
 - d. Poverty
3. Development Trends – 10 minutes
4. Staff Interpretation – 20 minutes
5. Commission comments – 60 minutes



**CITY OF CHARLOTTESVILLE
NEIGHBORHOOD DEVELOPMENT SERVICES
MEMO**

To: City of Charlottesville Planning Commission
From: Brian Haluska, AICP
CC: Jim Tolbert, AICP; Missy Creasy, AICP
Date: September 19, 2011
Re: Comprehensive Plan Land Use Chapter revisions

Introduction

One of the requirements of a comprehensive plan in the Commonwealth of Virginia is a land use plan. This document describes the future land uses anticipated by the locality, and serves as a guide for future development decisions, as well as transportation projects and other infrastructure decisions. The City of Charlottesville last updated the land use plan during the 2001 Comprehensive Plan review. Staff has made the drafting of a new land use section a priority in this Comprehensive Plan update.

The Planning Commission work session on September 27 will be the first in a series to focus on this topic. At this meeting, staff intends to cover some of the trends in demographics and development at the national, state and local level that are impacting land use planning, as well as what these trends suggest as areas of concern for the City in the future. Finally, staff would like to have an open discussion with the Commission about the trends presented, and gather any impressions the Commission may have about the data presented.

Demographics

Race Trends

- National/State
 - Caucasians made up 66% of the American population in 2008. That number is projected to decline to 46% by 2050.*
 - The number of Hispanic-Americans is expected to triple during the same time period. Hispanics will make up 30% of the American population in 2050.*
 - Black and Asian-American populations are increasing, but slower than the Hispanic population.*
 - By 2050, 62% of the children in America will be of minority descent.*

- Charlottesville
 - White population decreased by 7%
 - From 2000-2010, the African American population decreased by 2%
 - Between the 2000 and 2010 Census, the rate of growth in the Asian population tripled (2% to 6%)
 - Between the 2000 and 2010 Census, the rate of growth in the Hispanic population increased from 1% to 5%.

Age Trends

- National/State
 - Steady increase in 55 and older age range; slight decrease in all younger age groups.
 - By 2030, 20% of Americans will be over the age of 65.*
 - Birth rate is anticipated to drop from 1% to 0.25% by 2035.*
- Charlottesville
 - The population of children below 19 years of age decreased by 8%.
 - The population of residents in the 20-34 age range increased by 6% since 2000.
 - The percentage of young adults (20-34) is nearly double the state and national percentages. (43% vs 21%/20%)
 - There has been a 3% increase in the 55-64 age range.

Tenure Trends

- National/State
 - For the US and Virginia, most housing is owner occupied.
- Charlottesville
 - The City has consistently had a higher renter percentage than owner percentage.

Poverty Trends

- National/State
 - Individual poverty has been on a steady rise since 1990.
- Charlottesville
 - Lowest Poverty rate since 1990.
 - The poverty percentage for individuals is twice that of VA and higher than the national average.
 - The percentage for families below poverty level is lower than the United States.

Staff Analysis

- Racially, Charlottesville is diversifying. With the influx of new minority groups our city must be ready and willing to accommodate the changing cultural landscape.
- Our city is home to a large group of younger adults who are likely college students or young professionals seeking job opportunities. The city must cater to this large group of individuals who will eventually begin to have their own families. As this group makes up the largest percent of the city's population, their needs will likely shape the city as they pursue jobs and housing, likely in search of a more urban appeal with transit options.
- There is a need for more opportunities for home ownership to offset the large percentage of renter occupied housing.
- The city has a 21% poverty rate but the presence of students skews that number. Mapping poverty by census track reveals that the area of greatest percentage of poverty is in the area around the university. We must consider the affect that thousands of college students with no major income have on the percentages of individuals below the poverty line.

Development Trends

- National Trends
 - Single family units have represented about 75% of the housing market for new construction.
 - Between 2000 and 2005 there was a 31% increase in the number of housing units being constructed. This began to decline drastically after 2005.
 - There was a 71% decrease in the total number of residential building permits from '05-'10. Single and Multi-family housing production has decreased at the same percentage over that period, but multifamily housing did not decrease as significantly until '08/'09.
- State Trends
 - Single family units represent about 78% of the housing market for new construction.
 - Between 2000 and 2005 there was a 30% increase in the number of housing units being constructed. This began to decline drastically after 2005.
 - There was a 66% decrease in the total number of residential building permits from '05-'10.
- Local Trends
 - Charlottesville's single family units represent 50% of new construction on average from 2000-2010.
 - The years of 2003-2006 represented the largest spikes in the housing market for all housing types, especially multi-family housing units.
 - Single family housing construction was at its highest between 2004 and 2008.
 - There was a 66% decrease in the total number of residential building permits from 2005 to 2010.
 - Between 1970 and 2000, the total number of housing units increased by 24.6%, while the population decreased 0.6%.

Staff Analysis

- Charlottesville percentage of multi-family units is larger than the state and national averages and the increases and decreases in the total number of building permits are much more variable.
- The student housing market somewhat insulates Charlottesville from some of the larger housing market trends.
- The 2003 zoning changes provided increased density around student areas which encouraged new multi-family developments.

Analysis

National trends in demographics point to great challenges facing the country:

- While African-American and Hispanic-American populations are the fastest growing in the country, those populations also have the lowest educational attainment. This brings up questions about the viability of the “homegrown” workforce in America over the next 40 years.*
- The increase in minority population could lead to a shift in American culture. Of particular interest is how populations that are accustomed to political power (Caucasian, African-American) will react to seeing that power diminished.
- A large number of rural communities are experiencing decreases in population as older residents pass away, and younger residents leave for better opportunities in more developed communities.*
- The retirement of members of the Baby Boomer generation will present a tremendous challenge for employers in backfilling positions.
- The large population of retired Baby Boomers will increase the need for medical and assisted care in the coming years.
- The large population of retired Baby Boomers on a fixed income will most likely lobby local governments to reduce the tax burden on residential property – forcing local governments to find other means of finding revenue.
- The number of single-person households is projected to eventually pass the number of family households in America in the next 40 years.*
- The marriage rate for Americans aged 25 to 35 has been steadily declining for 45 years.*

The data for Charlottesville, however, shows a couple of areas where the City differs from the nation:

- One of the largest forces in land use planning nationally is the oncoming influx of retirees as Baby Boomers reach retirement age. In contrast, 60% of the City’s population is 35 years old or younger. The large number of younger residents in the City implies that the labor force is strong and should not experience a shortfall of skilled labor.
- The City has a much higher percentage of rental housing than the state and national averages. This suggests that a large portion of the City’s population is transient in nature.

The changes in racial composition in the City echo national trends.

Implications on Land Use

The largest implication of the above data is on the built environment of the City. The national trend towards more single-person households and smaller family sizes could create a demand for alternative residential units that can accommodate smaller households and remain affordable. Additionally, the fact that the birth rate is declining in the country as Americans in the 20-35 age cohort wait longer to get married means communities will have to find a way to accommodate these persons. These trends point to low demand for single-family detached patterns of development, and increasing demand for multi-family development, particularly in urban settings. Urban areas frequently appeal to persons in the 20-35 age cohort because of the presence of entertainment and social gathering options. Additionally, this age group tends to be most environmentally conscious, and seeks out places to live that permit them to use alternative modes of transportation.

The downtown area of the City is well positioned to cater to these demands, with the availability of building sites for condominium and apartment buildings near commercial establishments. Promoting the downtown as an entertainment district does come with drawbacks, such as the need for increased police presence, traffic concerns, and the existence of an adequate supply of parking.

The national trends suggest that retirees might become increasingly mobile as they look to move into residential settings that free them from household maintenance tasks and put them close to cultural institutions such as museums, concert venues, theaters and restaurants. Some communities openly pursue age-restricted communities because the absence of school-age children means the locality most likely will see a net gain in tax revenue from such developments. There are drawbacks to this approach as well. In addition to the above mentioned issue with tax reform, this population will need facilities to accommodate them as they continue to age, often staffed by increasingly specialized caregivers that may not reside in the area. Communities may face an added cost to retro-fit public facilities to accommodate an aging population.

The downtown area of the City can most likely accommodate a mix of both populations in the future, but a larger question about the force of the changes in the American population remains. The demand will almost certainly exist for growth in small urban cities like Charlottesville. The City can choose to maintain the downtown and surrounding areas much like it currently is, with small additions, or aggressively pursue growth that could dramatically alter the City's built environment.

Along these lines, the City will have to confront the changing face of the American population over time. The decrease in family households, the rise in single-person households, and the increasing share of the population that will be of minority descent calls into question whether the land uses permitted and prohibited in the City's zoning district will effectively cater to the populations that reside there over the next 10 years and beyond.

Questions for Discussion

What trends listed concerns you the most when thinking about planning in Charlottesville and why? (3-5 prioritized)

Are there trends you have heard of, anecdotally or otherwise, that you think are important for Charlottesville to be aware of that are not discussed above?

How might our future land use planning efforts proactively address/prepare for these trends?

In what regards do you feel that Charlottesville might not be prepared to handle the trends above?

*- Data taken from presentations by Mitch Silver, President of the American Planning Association at the APA-Virginia Conference this summer.