

HOUSING ADVISORY COMMITTEE
Code Audit Subcommittee Meeting Notes
Neighborhood Development Services Conference Room, City Hall
March 16, 2016
12:00 pm

Attendance Record	Present	Absent
MEMBERS		
Bob Hughes	X	
Dan Rosensweig	X	
Frank Stoner	X	
Jody Lahendro	X	
Kristin Szakos	X	
Mark Watson	X	
Phil d'Oronzio	X	
Ridge Schuyler	X	
NON VOTING MEMBERS		
Trish Romer (UVa)		X
STAFF		
Kathy McHugh	X	
Missy Creasy	X	
Alexander Ikefuna	X	
OTHERS		
Mark Rinaldi	X	

The meeting began around 12:00 noon. HAC subcommittee members and guests were invited to help themselves to food.

BACKGROUND: To set the framework for the discussion about the code audit follow-up, the group had agreed at its December 16, 2015 meeting that the existing list of items (as follows) was consistent with their prior discussion, inclusive of #12, as recommended by Frank Stoner. In addition, since the City is not quite to the point of moving forward with its own formal code audit (pending finalization of the Streets that Work effort) and there is a general lack of staff capacity to focus on this at the present, the sub-committee agreed to undertake an independent research effort looking to examine various issues and come back with reports to the group. The following list includes the HAC code audit priorities and name of the individual who volunteered to do research and report out on the specific issue.

1. Limitations on the number of unrelated persons in the zoning ordinance **Phil**
2. Whether the PUD ordinance is actually providing different results than what by-right zoning would provide and does the existing zoning and subdivision ordinances need to be modified
3. If the PUD ordinance can be changed to explicitly include affordable housing **Ridge**
4. Can the standard of review and objectives be changed to ask for elaboration regarding size/type and price point to get at the affordability issue
5. Tying parking to specific developments, looking at both a minimum and maximum levels of parking, with a possible waiver for affordable units and consideration of potential offsets (bike parking, proximity to transit, etc...) **Mark**

6. Reduced setbacks for ADUs and looking at the number of unrelated people allowed in ADUs and primary units **Phil**
7. Examination of opportunities along edge zones where impact to neighborhoods would not be felt as strongly **Frank**
8. Potential subdivision of larger lots **Mark**
9. Potential reduction in dimensional lot and road frontage standards in an effort to expand density without changing zoning **Bob**
10. Potential revisions to the infill SUP process and expansion of the infill SUP zone
11. Consideration of unit lot code model which would provide fee simple lots without road frontage **Frank**
12. Examining infrastructure requirements, particularly street/road standards **Frank**

Mark Watson began the presentations, explaining that he had looked at items #5 and #8. Starting off with #8, he advised that he looked for current examples of regulations for subdivision of larger lots. He found that the west coast had the most examples. Also while Los Angeles had one of the best ordinances, it was beginning to see push back. Projects so far have been high end and not affordable, with low density infill type projects (4 – 7 DUA). A copy of the ordinance was provided by Mark (see **Small Lot Design Guidelines – Los Angeles, CA**) and he encouraged review / consideration in the code audit, with a focus of including requirements for affordable housing. Mark also provided a copy of the **Fee Simple Small Lots – ULI Urbanland Article** for reference.

Frank Stoner had a related item (#11, dealing with unit lot subdivisions) and proceeded to present a PowerPoint (see **Unit Lot Subdivisions & Aff Cottages**) that includes the current lot requirements where every lot has frontage on a public road. He utilized the Bill Atwood 5th Street condos as an example of what this type of development could look like, although these are not fee simple. The inability to build these as fee simple complicates sales and the financing structure. Frank then showed the group a couple of examples of unit lot developments which achieve compact and higher density development (6 – 12 DUA cottages with open space) that is more affordable. Mark supplemented this with handouts related to a cottage housing development (see **Guide to Drafting a Cottage Housing Ordinance** and **Cottage Housing Model Ordinance – Lehigh Valley Planning Commission**) and Frank provided an example from the City of Kirkland as an example of a zoning tool used to undertake demonstration projects to further affordable units (see **Kirkland Ordinance for Innovative Housing Demo Project**).

Mark discussed a scenario in which the subdivision of existing lots on an alley would require the City to purchase the alleys. People with larger lots could subdivide the parcels and sell off the lots on the alleys, creating additional density and affordable units on a horizontal basis. He stated that this was preferred over accessory dwelling units, because people who need them can't afford to build them. By selling off part of their land, they can "mine" the equity from their existing property, helping them financially while creating opportunities for more affordable housing. City ownership of the alleys would also allow the city to address infrastructure needs by undergrounding electric and upgrading water/sewer and drainage utilities (see **Alley Development Pilot Concept Summary**).

Frank explained that Seattle Washington has a unit lot subdivision code (see https://www2.municode.com/library/wa/seattle/codes/municipal_code?searchRequest=%7B%22searchText%22:%22unit%20lot%22,%22pageNum%22:1,%22resultsPerPage%22:25,%22booleanSearch%22:false,%22stemming%22:true,%22fuzzy%22:false,%22synonym%22:false,%22contentType%22:%5B%22CODES%22%5D,%22productIds%22:%5B%5D%7D&nodeId=TIT23LAUSCO_SUBTITLE_IPLRE_CH23.24SHPL_23.24.045UNLOSU), but there is no specific Virginia example. This noted, Frank described a project done by the

Alexandria Redevelopment and Housing Authority (ARHA) which has resulted in redeveloped public housing with high end mixed income townhomes. Specifically, he explained that ARHA has provided fee simple ownership in a mixed income development, with affordable housing units integrated within for-sale market rate townhouses. Frank noted an example of where ARHA built an affordable unit on top of a garage (providing fee simple ownership via air rights) that was included with the market rate unit adjacent to it. Kathy McHugh denoted that she understood that the ARHA development had been done under a condominium structure and that this would not necessarily be a good comparison for the unit lot subdivision, to which both Frank and Mark agreed that this was their understanding also.

Dan asked are what the lot dimensions for infill special use permits? Missy Creasy offered to look at this while the group carried on with their discussion.

Kristin Szakos then commented that she could see the benefits as well as the potential for political push back with such an ordinance, citing a recent example from St. Clair Avenue where people were concerned about subdividing of lots. She stated that testimonials about enrichment from this type of development would be helpful in overcoming localized bias.

Dan Rosensweig then asked Mark about the inclusionary component of his presentation and whether legislation would be needed to which Mark explained that more research would be necessary to determine this.

Missy interjected that she had found the answer to Dan's earlier question and that there is no minimum under the infill SUP, only a maximum of 2 acres, over which limit the regular PUD would be triggered. She further iterated, in response to various questions, that the limitations for in-fill SUPs would come in the form of having to meet the requirements for parking and set-backs.

Dan noted that the redline that defines the infill SUP zone is pretty fine and that the City needs to consider expansion of this zone. He went on to say that the code that governs infill SUPs/SUPs might be expanded to include certain aspects of unit lot zoning.

Missy denoted that the infill SUP specifically considers walkability to allow for increased density (where appropriate) and that this would need to be considered with any expansion of the zone.

Frank stated that affordable units are extremely difficult to build, due to the high cost. By decreasing the amount of land required to build, you would reduce costs and the need for extra infrastructure. Dan added that Habitat needs \$25K lots, not \$100K lots which is closer to the market rate price point.

Dan asked what would need to change to sell the 5th Street units as a fee simple product. Mark responded that it seems that there would have to be a change in the code to allow for location on travel-ways other than public roads. Missy responded that the City doesn't allow for private roads (other than in townhome developments), because of issues associated with on-going maintenance which require an active HOA to address/upkeep roads.

Dan noted that the County gets a road maintenance agreement to help facilitate different road scenarios and Frank pointed to issues associated with Chisholm Place because the road(s) were not built to standards. Frank went on to say that if the City had allowed a lesser standard that City maintenance could have been provided.

Missy explained that while the winds of change are blowing, that currently we require that roads be built to VDOT standards because this allows the City to get VDOT assistance/resources. Otherwise, the City cannot access these resources to help with costs. She explained that while the City cannot design roads for individual developments that if there is an engineered plan to support a viable alternative design, it can be added to our design standards if approved by City engineering.

Mark added that it is the fire department requirements that effectively kill roads, to which Missy explained that the fire code requires 20' of cleared passage way, but that there are provisions to allow for override of this standard given case specific issues. She went on to explain that the new Fire Chief is agreeable to work through things on a case by case basis where he has discretion.

Dan inquired as to who decides what is best (and what gets approved) when there is an engineered plan? Missy stated that it goes to the development review team and that we are in the middle of the Streets that Work planning effort that will introduce some new ideas. Dan stated that private engineers with innovative ideas are frequently overridden by City engineers.

Frank asked if VDOT comes in to do a regular evaluation of our streets and Missy responded that they do not rather this is done at the time of acceptance by the City. Alex briefly mentioned a recent Council item to consider and send a batch of roads to VDOT to accept based on design/construction standards.

There was then a conversation between Frank, Mark and Dan regarding various issues related to parking and private roads, with Dan denoting that Habitat attempts to create a sense of place with dimensional design.

Mark then moved to his presentation on tying parking to specific developments (item #5) by referencing an article (see **Smart Growth Alternatives to Minimum Parking Requirements**). He stated that the focus should be on maximum parking requirements rather than minimum, tying reduced parking to affordable housing development with shared parking mandated when residential and commercial abut each other (e.g., Miche or 10th and Market parking lots that sit empty after 5 pm).

Kristin mentioned the issues in the 10th and Page neighborhood with shared on-street parking for residents and hospital employees, when elderly residents leave to go shopping and come back and can't find a space near their home for unloading. Mark responded that the focus for shared parking needs to be with on off street parking lots, not on street parking. He stated that we need to look to tie these two things together to reduce asphalt and runoff and to better utilize the asphalt that we already have.

Dan then mentioned that there are lots of examples of innovative techniques for dealing with parking, but that our codes don't allow these. Specifically noted were Philadelphia row houses where they turn the house sideways with roll top curbs to allow people to pull up to their front doors for unloading purposes and how Copenhagen reduced on street parking by 3% per year over time and that the parking issue resolved itself without further intervention.

Alex stated that public transportation does not get adequate attention. Seattle and Vancouver have perfected high density development using public transport to bring people to work, church, shopping etc... and that more density helps with affordability and provides more cost effectiveness for public transport.

Phil added that having parking at the edges of the city periphery, with transport to come in from the rural areas would be helpful as would sharing agreements with private parking lot owners to use their lots after hours to park close to downtown.

Frank then asked if the City has really talked about transit and density as a chicken/egg issue. Alex responded no, but that it is something that needs to be discussed during the code audit. Kristin interjected that this was discussed during the changes to the transit routes 5 to 6 years ago and that while Charlottesville has a high rate of transit use for a City of our size, that she believes we need density to go to the next level.

Alex agreed that the current transit system is working well, but Dan countered that this is only true if you can afford to live in the downtown core. Further Dan noted that with a zoning map that is 75% yellow, that we cannot realistically create significant density. Frank followed up with an example of a man living on Shamrock that spends an hour and a half taking the same trip that Alex can take in 30 minutes to go up US Hwy 29. Alex countered that the population trends for the past 5 years show the City growing at a rate of 2%+ and that this demographic must be considered.

Dan then asked when the next Comprehensive Plan process would start and was told by Missy that it would be another year or so. Missy added that the Comp Plan already envisions high densities (as is being discussed now), but that change is happening incrementally. Kristin stated that it is discussions like this that help to figure out what can be done to help, with Missy adding that this is a great question that would have lots of different responses.

Mark added that Santa Cruz has preapproved three ADU prototypes and even provides financing in an effort to stimulate development.

The discussion then transitioned to Bob Hughes' presentation on reduction in lot and road frontage standards. Bob explained that Los Angeles, Washington State and Canada appear to be at the forefront of doing this and that other than using zero lot lines (which we already allow), that there is potential for use of zipper line lots (adjusting the rear lot lines) and that curvy streets can take advantage of smaller lots in the curves for placement of affordable units.

Dan responded that we would need small frontage and smaller lot size standards to make the curvy small lots work, but Bob denoted that adjustments to the side set backs are typically what is used. Frank was asked if he had done this previously and he responded that it has worked in the county using their waiver provision. Missy denoted that the City only allows a waiver for cul-de-sac locations.

Alex then told the group about his prior experience in another city where older historic lots were provided with a waiver to allow development on smaller lot sizes such as 40' x 90' with the resulting development blending well with the existing neighborhood.

Dan asked if we would need state enabling legislation to decrease lot sizes to which Alex stated that he felt that it would, but that the need should be communicated to the legislature, as this would serve a public purpose for furthering affordable housing. Mark responded that reductions in setbacks can be problematic when off street parking is required and that unless there is rear parking access, that the reductions might not make sense. Missy stated that rear access would require more land, reducing lot sizes even more, which might compound the problem. Phil denoted that the PUD model and use of a centralized parking lot would still be viable in some cases. He also discussed an example from Troy Virginia where the developer had used shared drives and pipe-stem shaped lots to facilitate visually appealing and practical housing placement while still accommodating parking and cars. He was not sure whether such a thing could be done in Charlottesville, but there were others that thought that the St. Clair Avenue area (mentioned previously) might be provide opportunities to use this approach.

Frank then asked about the impact of the fire codes to which Kristin explained that Charlottesville has the lowest ISO rating in Virginia and that this has a direct impact on the home insurance rates paid by owners and that she would continue to support the compliance to keep rates low, as these costs directly impact affordability in terms of monthly costs paid by home owners.

Frank then displayed a map (see **Cville Zoning Map with Core Fringe Areas for Consideration**) showing core fringe areas for consideration to support his examination of opportunities along edge zones where impact to neighborhoods would not be felt as strongly (item #7). He stated that he had looked at the City through the lens of looking for areas that might support increased density such as those located adjacent to commercial /mixed use districts where increased density seems to make sense. He was not sure of the process of looking at this, but thought it should be done.

Dan said that that this idea was discussed with the small area planning approach where you could have neighborhoods that step down from high density to medium to low. He then asked where the small area planning effort stands at this time, to which Jody responded that the Planning Commission is looking at touring the small areas on foot to try to better understand the unique character of each. They are focused on three areas which include Woolen Mills, Emmett and 5th and Cherry.

Frank added that there is no doubt that there are likely historic issues in some of these areas that are protected. Kristin specified that West Street in the 10th & Page neighborhood backs up to Preston but still has older single family character. Frank responded that West Street and other areas have older homes that are aging (dilapidated in some cases) and will transition over time, with Kristin noting that these affordable properties are frequently owned by established families who have been there for years. Frank added that he was not advocating demolition, but rather highlighting areas that would have potential for consideration. Phil commented that the units are changing hands and that this will continue over time.

In addition to the urban core areas noted by Frank, Dan stated that we also need to look at taking pressure off the core and looking to the fringe areas such as Fontaine, Gasoline Alley, River Road which could support a mixture of uses. Frank noted that areas served by transit are the best candidates for density, as this is an important factor also.

Dan added that Kurt Keeseker had done some work on this also looking at livability across the City and connecting areas via transit. He asked if this had been looked at to which Mark responded that Kurt had done a presentation to the PLACE task force and that they planned to make recommendations to Council based on this.

Frank then transitioned to his last item (#12) looking at examining infrastructure requirements, particularly street/road standards. He reported that while we had already touched on this earlier, that in certain areas the City could lessen standards to something less than a fully designed street (as least for short distances of 150' or less) to create more affordable lots. Within a PUD, this would be helpful to create magical places such as Gildersleve Wood and Altamont Circle. Kristin denoted that there is low density in these areas although, Altamont has some apartments and higher density, Gildersleve is mostly larger homes with low density. There was then a discussion between Bob and others about the road widths and challenges for cars in these areas, as well as fire trucks because of the existing narrow street conditions. In considering the creation of these smaller street alternatives, Phil stated that we need to define what the lanes are for and perhaps limit allowed uses. Ultimately, the group reiterated the potential benefits and challenges to this approach, denoting that it is the economics that ultimately tie this strategy to affordable housing creation and justifies further examination.

Kathy then asked Phil about his presentation for items 1 and 6, to which he stated that he needed to punt at this point, but that he thought this was good as the discussion today would allow him to refine his topics and do further research.

Ridge Schuyler then proceeded to present his item (#3) which focused on whether the PUD ordinance can be changed to explicitly include affordable housing. He explained that the short answer is "yes" it can be and noted the applicable Virginia legislation which he had reviewed. Ridge provided a write up which summarized his findings (see **PUD and Affordable Housing**). In summary, the overall zoning ordinance can include affordable housing and since you can do a PUD (as long as it is consistent with the zoning ordinance), you can require inclusion of affordable housing. Ridge also noted the ability to do incentive zoning associated with affordable housing (that is not part of a PUD) to provide bonuses (including density). Lastly, Ridge noted that affordable dwelling unit ordinances are also allowed by VA statute, which the City can do if it fits within the ordinance. Missy stated that all of these issues need further research and input/feedback from the City Attorney's office.

Frank then asked about the schedule for the City code audit and was told by Alex that once the Streets that Work effort is finished that staff will present to Council and then look at transitioning to the code audit over the summer. Frank followed up by asking if there is any consideration for Low Impact Development measures in the audit, to which Alex stated that these can certainly be considered, with Missy denoting that maintenance considerations would also need to come into play.

The meeting concluded with public comment denoting that the discussion regarding air rights was of interest. Kathy then thanked everyone for coming and for their contributions and asked that those with handouts or electronic presentations provide her with a copy for the City's records and to inform the City's code audit.

With no further discussion the meeting was adjourned at 1:45pm.