

PRESENT: J. Curd, Vice Chairman
T. Cole
B. Garvey
K. Leonard
K. Shiflett
T.K. Fitzgerald, Director of Community Development
R.L. Earhart, Senior Planner

ABSENT: W.F. Hite, Chairman
E. Shipplett

VIRGINIA: At the Called Meeting of the Augusta County Planning Commission held on Tuesday, August 9, 2011, at 4:30 p.m. in the Board of Supervisors' Conference Room, Augusta County Government Center, Verona, Virginia.

* * * * *

The Planning Commission assembled in the Augusta County Government Center to discuss the rezoning. The Planning Commission traveled to the following site which will be considered by the Commission:

1. Interstate Business Park, LLC – Rezoning and Amend and Restate Proffers

* * * * *

Chairman

Secretary

PRESENT: J. Curd, Vice Chairman
T. Cole
B. Garvey
K. Leonard
K. Shiflett
E. Shipplett
T.K. Fitzgerald, Director of Community Development
R.L. Earhart, Senior Planner

ABSENT: W.F. Hite, Chairman
E. Shipplett

VIRGINIA: At the Regular Meeting of the Augusta County Planning Commission held on Tuesday, August 9, 2011, at 7:00 p.m. in the Board Room, Augusta County Government Center, Verona, Virginia.

* * * * *

DETERMINATION OF A QUORUM

Mr. Curd stated as there were four (4) members present, there was a quorum. He stated however that Mr. Leonard was on his way so he was going to delay the start of the public hearing until his arrival.

* * * * *

STAFF REPORTS

A. CODE OF VIRGINIA – SECTION 15.2-2310

Mrs. Earhart reviewed with the Commission the requests coming before the BZA.

Mr. Curd asked if there were any comments regarding the upcoming items on the BZA agenda.

The Planning Commission took no action on the BZA items.

* * * * *

Mr. Leonard arrived at 7:15 p.m.

* * * * *

Interstate Business Park, LLC- Rezoning and Amend and Restate Proffers

A request to rezone from General Business to Multi-Family Residential approximately 17 acres owned by Interstate Business Park, LLC and to add proffers to 86.7 acres owned by Interstate Business Park, LLC. The property is located in the northeast quadrant of the intersection of Tinkling Spring Road (Rt. 285/608) and Ramsey Road (Rt. 635) in the Beverley Manor District.

Mrs. Earhart stated the applicant has submitted the following proffers.

1. Interstate Business Park, L.L.C., its successors or assigns, shall cause completion of the "Road Improvements," as defined in that certain Development Agreement dated as of November 22, 2003, by and between the County of Augusta, Virginia and Bill V. Neff, Sr., as amended and assigned by that certain First Amendment to and Assignment of Development Agreement dated as of January 20, 2006, by and among the County of Augusta, Virginia, Bill V. Neff, Sr., and Interstate Business Park, LLC, and as further amended from time to time (the "Development Agreement"). The Road Improvements shall be substantially complete, with the new lanes open for public use, prior to the issuance of the Certificate of Occupancy for the first (1st) residential unit in the Multi-Family Residential zoned property.
2. Willowbrook Drive shall be substantially completed and open for public use between Expo Road (Rt. 935) and Ramsey Road (Rt. 635), as shown on the "Rezoning Exhibit" dated July 15, 2011 prior to the issuance of the Occupancy Certificate for the first (1st) residential unit in the Multi-Family Residential zoned property.
3. The owner shall dedicate to the County or the Virginia Department of Transportation, for public street purposes, (a) such portions of the parcel as are necessary to construct the Road Improvements in accordance with the Development Agreement, and (b) additional portions of the parcel parallel and adjacent to Ramsey Road (Rt. 635) within an area 25' from the existing centerline of Ramsey Road (Rt. 635).
4. Within sixty (60) days of approval of the rezoning, Interstate Business Park, LLC, its successors or assigns, shall enter into amendments to the Development Agreement and related agreements, in forms approved by the County Attorney, which shall exclude the Multi-Family Residential zoned property from the terms of the Development Agreement and related agreements.
5. Construction in the Multi-Family Residential zoned property shall be staged with the development of the General Business and Industrial zoned property. The commercial and industrial square footage as stated below shall include all commercial and industrial improvements constructed on the property covered by the Development Agreement and related documents. The commercial and industrial square footage requirements shall be deemed to have been met once the structure is substantially complete, which shall mean that at a minimum the exterior is complete and the interior is ready for tenant upfit. The staging plan is as follows.
 - A. Occupancy Certificates shall be available for up to 50 total residential units after a cumulative total of 50,000 gross square feet of commercial and industrial are substantially complete.

- B. Occupancy Certificates shall be available for an additional 50 residential units (total of 100) after a cumulative total of 75,000 gross square feet of commercial and industrial are substantially complete.
 - C. Occupancy Certificates shall be available for an additional 75 residential units (total of 175) after a cumulative total of 150,000 gross square feet of commercial and industrial are substantially complete.
 - D. Occupancy Certificates shall be available for an additional 75 residential units (total of 250) after a cumulative total of 250,000 gross square feet of commercial and industrial are substantially complete.
6. No more than 250 multi-family residential zoned units shall be permitted on the entire 103.7 acre property.
 7. Buildings constructed in the Multi-Family Residential zoned property shall not exceed 3-stories in height above grade.
 8. The owner shall provide A) a minimum 20' vegetated buffer along the entire perimeter of the Multi-Family Residential zoned property, or B) a minimum 10' vegetated buffer with 6' tall privacy fencing, or C) buffers required by County Ordinance if the County Ordinance is more stringent than options A or B above. The buffer shall contain a mixture of deciduous and evergreen trees and shrubs consistent with buffers currently required by ordinance between General Business and Multifamily zoned properties.
 9. There shall be no direct access from the Multi-Family Residential zoned property to Ramsey Road (Rt. 635), or to the Multi-Family Residential zoned property from Ramsey Road (Rt. 635). All vehicular entrances for the Multi-Family Residential zoned property shall be on Willowbrook Drive.
 10. There shall be no direct access from the General Business zoned property to Ramsey Road (Rt. 635), or to the General Business zoned property from Ramsey Road (Rt. 635). All vehicular access to and from the General Business zoned property shall be by means of the parcel's internal road system, as generally shown on the "Rezoning Exhibit" dated July 15, 2011.

Frank Ballif, Interstate Business Park, LLC and Southern Development, stated the property is located in an Urban Service Area (USA) and explained the reasons why the property should be rezoned to Multi-Family Residential. He stated this type of use is compatible with the area and gave Ivy Ridge located across Route 285 as an example. Mr. Ballif also stated there is a demand for this type of zoning and noted the Commission has received a market study that provides data and trends of demographics for this use prepared by S. Patz and Associates that proves a need for this zoning. Mr. Ballif explained the zoning will be a "nice transition" because if approved, the residential zoning will be located in the rear of the property leaving the prime commercial land up front. With regard to Proffer #5 regarding Occupancy Certificates, based on staff recommendation, Mr. Ballif stated he would be willing to consider changing the language from approval of "Occupancy Certificates" to "Building Permits". Mr. Ballif further stated if approved, the rezoning will jumpstart the \$5 million investment to complete the road improvements along Ramsey Road and the internal road to the multi-family development. He stated the alternative to rezoning the portion to

Multi-Family Residential, would be waiting for a larger commercial user to come to start the road improvements however with today's economy, Mr. Ballif stated that has not yet been successful. He stated with road improvements, the plan would be to construct a number of smaller commercial projects. He explained key differences since the initial rezoning request in 2007 include the bridge construction on Route 285, the fact that the market has changed, and the proffers in the request have changed regarding the commercial square footage. Mr. Ballif stated while the rezoning is not in compliance with the Comprehensive Plan Map, it does meet the definition of an Urban Service Area and the need for Mixed Use Zoning. While the rezoning is not compatible with adjacent properties, the residential zoning will be located in the rear of the property and will be an appropriate transition from the commercial to industrial. Mr. Ballif concluded this property has been zoned commercial since 1980 and since then there has been commercial development near the property and if a portion of the property is zoned to Multi-Family Residential, he stated the hopes are to put commercial properties on the parcel sooner and "get this project moving a win-win for both us and the County".

Mr. Garvey commented after visiting the site today, he is concerned with apartments being adjacent to industrial zoning.

Mr. Ballif responded a fence would be the most sensible buffer between the proposed apartments and industrial zoning and he can amend the proffers to state a buffer would include a fence.

Mr. Garvey noted a concern with traffic congestion. With bridge construction, he asked Mr. Ballif's plans regarding a time frame and whether or not he had plans to build the units himself.

Mr. Ballif stated yes his preference is to build. He explained his partner Dr. Hurt has been a builder and developer for approximately 55 years and he has been in the development business for approximately 12 years. Together, he stated they own Southern Development and build a lot of single family and townhomes therefore apartments are a natural extension of his development business. Mr. Ballif explained, with regard to financing, HUD apartment financing is one of the few financing options available in today's economy and almost "encouraged in multi-family developments so capital is available for it".

Mr. Garvey asked if this project was going to be a "low cost housing development".

Mr. Ballif answered no. He stated there are tax credit projects that are financed differently based on income uses and it would be a fair guess to state approximately 80% of apartment projects built market rate are financed through Housing and Urban Development (HUD). He added, many of the commercial lots were sold when the property was owned by Bill Neff, cannot build until the frontage road improvements have been made.

Mr. Garvey asked how many rental units Mr. Ballif manages.

Mr. Ballif answered he manages 30 residential units. He stated, "Dr. Hurt, I don't think that many", we both have commercial property we rent but most of what we do is for sale housing.

Mr. Curd questioned Mr. Ballif's consideration for amending Proffer #5 regarding the issuance of building permits as opposed to "occupancy certificates".

Mr. Ballif responded yes he can amend Proffer #5 to make it easier for staff to enforce.

Mr. Curd questioned Mr. Ballif's comment regarding the development of commercial sites on the property being the lack of road improvements.

Mr. Ballif answered yes there are some commercial properties within the development that are not able to obtain building permits until the road frontage improvements are completed.

Mr. Curd asked if Mr. Ballif would proffer a minimum 10' vegetated buffer with 6' tall privacy fencing between the Industrial and General Agriculture and Multifamily zoned properties.

Mr. Ballif responded yes.

Mr. Cole questioned language in the rezoning request report submitted with the rezoning which stated in order to enhance and "jumpstart" the interest in this property, to be feasible, it would require several simultaneous active development areas on the property. By themselves, he stated the report reads neither the commercial nor multi-family portions of the property will be able to provide the funding necessary to complete improvements for Route 608. Mr. Cole further read however, together, multi family and commercial properties can be sourced and "the road will get built".

Mr. Ballif responded there is a land loan on the property and the intent is that the multi-family project will be a large enough project, that the lending agency will loan the money for the road project, the same as if a large commercial user were to occupy a portion of the property. He then stated with road improvements, small retail establishments can be developed and the improvements will be in place as we wait for larger retailers.

Mr. Cole questioned the focus of the rezoning is based on financing, not "jump starting" the development.

Mr. Ballif stated one could argue that "real estate activity breeds activity". He explained by rezoning the portion of the property to Multi-Family Residential would allow activity on-site and the ability to convey lots.

In today's environment, Mr. Cole asked Mr. Ballif if there were examples of this type of synergistic development process.

Mr. Ballif provided an example of a mixed use development in Fluvanna County. He explained when the economy turned, developers stopped building homes, but they were able to develop commercial in the front and a section of town homes on the property and the lender allowed financing for this type of development.

Mr. Leonard questioned the time frame for development and questioned why a lender would finance a project if the residential portion would be the last phase.

Mr. Ballif explained if the project is financed through HUD, the process will be approximately 12-18 months, but preliminary indications would be received early on in the process which would determine if financing will be committed and then we can get financing for the road improvements which would then spark interest in the commercial development.

Mr. Leonard stated estimated completion for the bridge project on Route 285 to be 2015. He asked how this date would relate to the commercial and residential construction.

Mr. Ballif stated he is not sure on a completion date for the bridge. He stated hope for construction on the project is 2013 and considering the time for financing through the HUD project to be 12-18 months, he stated he does not know if "all those things are unreasonably tied together". With regard to the road frontage improvements, Mr. Ballif stated most of the grading is complete, what is left is the asphalt and traffic lights.

With regard to the industrial zoning, Mr. Leonard asked Mr. Ballif if he would consider proffering a vegetative buffer and fence.

Mr. Ballif stated yes he would amend the proffer we want to see a nice project.

Mrs. Earhart made note the Planning Commission received the market study only a few hours prior to the public hearing and has not had a chance to read that yet.

Mr. Cole clarified amending Proffer #1 regarding Certificates of Occupancy to Building Permits and clarifying the language in Proffers #2 and #5.

Mrs. Shiflett noted concern with developing the property before improvements are made to the bridge on Route 608. She stated traffic will increase if the units are complete prior to the bridge being finished.

Mr. Ballif responded, realistically speaking, road and bridge improvements will begin before construction begins on the Multi-Family Residential portion of the property and the front "chunk" of commercial has to be done before that starts. Putting all that together, I think the bridge will be pretty far along before any of the multi-family starts.

Mrs. Shiflett stated the proposed transition from business to residential to industrial is not a typical transition. These are higher intensity uses next to residential.

Mr. Ballif argued a residential component inside a commercial area can be synergistic to the residents and commercial users, maybe not as much with the industrial.

Mr. Curd asked if there was anyone wishing to speak in favor or opposition to the request.

Clinton Schilling, 808 Wren Street, Staunton, stated he owns the property located behind the proposed development. Mr. Schilling stated the bottleneck influx at the bridge on Route 608 has increased the amount of traffic on Jericho Road and if the rear portion of the property is to be zoned Multi-Family Residential, road improvements would need to be made to Jericho Road.

Mr. Ballif responded his expectation would be that improvements to the bridge and Route 608 will help to alleviate the problem.

There being no one else desiring to speak, Mr. Curd declared the public hearing closed.

Mr. Garvey asked Dennis Burnett, Director of Economic Development, if there were any economic benefits to rezoning this property.

Mr. Burnett explained his office has been working with the developer for some time and the goal is to bring development to Augusta County. Mr. Burnett stated he is in favor of the request and is looking forward to the road improvements on Route 285.

Mr. Leonard stated the Multi-Family Residential portion is not an ideal use of the property with residential being adjacent to industrial zoning. He stated the developer has done a good job with presenting his plans and doing "things right" and road improvements will be beneficial to the area.

Mrs. Shiflett stated she agrees with Mr. Leonard. She stated apartments do not belong between industrial and business zoning. She noted the number of apartments that have already been approved for the area. However, she stated she does support the revision made to the proffers regarding "certificates of occupancy" being amended to "building permits" and the buffer being amended.

Mr. Garvey responded there are pros and cons. He stated the developers seem to be experienced and the apartments can be buffered properly if the proffers are amended and if the developers are willing to amend the proffers, it will be a good plan. Mr. Garvey noted the proposal is supported by the Department of Economic Development, and he too can support the request.

Mr. Cole stated the project is properly sequenced with the change to the proffers tying activity to Building Permits, but questioned how a 250 unit apartment complex can "jumpstart" a commercial development of this magnitude. He stated he recognizes the need for road improvements, but he is torn.

Mr. Curd stated he too shares the same concerns others. He noted he was excited about getting this project "kick started", but concerned about the number of multifamily residential developments will have in the area and the fact that multifamily projects drain resources. Mr. Curd stated while the developer states it will jumpstart business development, improvements to the bridge will spur development regardless.

Mrs. Shiflett moved to recommend denial of the request, however if the request is approved by the Board of Supervisors, the Commission recommends adopting the revised proffers tying the phased development to Building Permits rather than Certificates of Occupancy and adding a 6' tall fence to the required buffer between the Multi-Family Residential and the General Agriculture and the General Industrial Zoned properties to the north.

Mr. Leonard seconded the motion. The motion to recommend denial carried on a 3-2 vote with Mr. Cole and Mr. Garvey opposed.

* * * * *

NEW BUSINESS

David Fuller, Chairman of the Friends of the Middle River (accompanied by Faye Cooper) presented a PowerPoint to the Commission. The presentation included an overview of the group including its history, purpose and goals.

* * * * *

There being no further business to come before the Commission, the meeting was adjourned.

* * * * *

Chairman

Secretary