

REZONING-19-0001. Powhatan Terrace Proffer Amendment**Staff Report for the February 6, 2019, Planning Commission Public Hearing****SUMMARY FACTS**

Applicant: Mr. Thomas Tingle, Guernsey Tingle Architects

Land Owner: JTR Properties, LLC

Proposal: To amend Condition No. 19 of the adopted Proffers to allow a minimum of three affordable units to be offered for rent, rather than for sale.

Locations: 1676 Jamestown Road
1678 Jamestown Road
180 Red Oak Landing Road

Tax Map/Parcel Nos.: 4730100036
4730100037
4730100039

Project Acreage: +/- 16.51 acres

Zoning: R-2, General Residential, with Proffers, with Cluster Overlay

Comprehensive Plan: Low Density Residential

Primary Service Area: Inside

Staff Contact: Tori Haynes, Planner

PUBLIC HEARING DATES

Planning Commission: February 6, 2019, 6:00 p.m.

Board of Supervisors: March 12, 2019, 5:00 p.m. (Tentative)

FACTORS FAVORABLE

1. There are no proposed changes to gross density.
2. The proposed Proffer amendment and participation in the Low-Income Housing Tax Credit (LIHTC) program better addresses the minimum requirements of the Housing Opportunities Policy (HOP).
3. The proposal is consistent with the recommendations of the adopted Comprehensive Plan.

FACTORS UNFAVORABLE

1. Staff finds no unfavorable factors.

SUMMARY STAFF RECOMMENDATION

Approval and acceptance of the amended Proffers.

PROJECT DESCRIPTION

Mr. Thomas Tingle of Guernsey Tingle Architects has submitted a request on behalf of Housing Partnerships, Inc. to amend Condition No. 19 of the adopted Proffers, dated February 13, 2008 (Attachment No. 4). Per the applicant, Powhatan Terrace is being developed with the use of the LIHTC program, an affordable housing program administered by the Virginia Housing Development Authority that focuses on rental housing. Upon completion of a successful LIHTC application, Powhatan Terrace will be developed with rents targeted to households in the range of 40%, 50% and 60% of the Area Median Income (AMI).

Currently, Condition No. 19 requires at least three affordable units to be offered for sale. Housing Partnerships, Inc. has determined that the three sale units required by Condition No. 19 could disqualify the

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project from the LIHTC program, and therefore has requested to revise this condition to require at least three affordable rental units with rates at or below 60% AMI, with annual verification of rental rates to the Planning Director for 15 years.

PLANNING AND ZONING HISTORY

- In 2008, the Board of Supervisors rezoned approximately 16.5 acres of land located at 1676 and 1678 Jamestown Road and 180 Red Oak Landing Road from LB, Limited Business, and R-2, General Residential, to R-2, General Residential, with Proffers, and with a Special Use Permit for a Cluster Overlay. Powhatan Terrace was approved for the construction of six 2-story buildings containing a total of 36 townhouse units at a gross density of 2.18 units per acre. At that time, all units were intended to be offered for sale.
- As part of the original Proffers adopted in 2008, Condition No. 19 addressed affordable housing by requiring a minimum of three price-restricted units to be offered for sale. This Proffer was accepted prior to the adoption of the HOP.
- In 2018, the Board of Supervisors approved a request to amend Condition No. 1 of the adopted Proffers to allow Powhatan Terrace to offer rental units.

SURROUNDING ZONING AND DEVELOPMENT

The subject property is across the street from Grace Covenant Presbyterian Church (zoned LB, Limited Business); adjacent to TK Antiques (zoned LB, Limited Business) and Cottages at Stone Haven (zoned R-2, General Residential) to the east; adjacent to Raleigh Square (split zoned R-5, Multifamily Residential and R-2, General Residential) to the west; and across Powhatan Creek from Landfall at Jamestown (zoned R-2, General Residential) to the south.

HOUSING OPPORTUNITIES POLICY

The original Proffers were approved prior to the adoption of the HOP. Under the current Policy, at least 20% of the development's proposed units, or eight units, should be offered for sale/rent at prices targeted at households earning 30% to 120% of AMI. Of that 20%, the units should be targeted at the AMI ranges as specified below for a period of at least 30 years:

Housing Opportunities Policy Requirements			
Targeted Income (% of AMI)	Price Range (2018 estimates)	Min. % of the Development's Proposed Units	Min. # of the Development's Proposed Units
30%-60%	\$118,762-\$172,862	8%	3 units
60%-80%	\$172,863-\$236,714	7%	3 units
80%-120%	\$236,715-\$364,419	5%	2 units

TOTAL 8 units

The original Proffers required a minimum of three units to be offered at or below \$195,000, to be adjusted annually for inflation. In 2018, the adjusted price for these units would be approximately \$227,538 and would satisfy the minimum requirement for the 60-80% AMI range per the HOP.

The proposed amended Proffer would bind the owner to the rent limits of the LIHTC program for a minimum of three units for at least 15 years; however, staff notes that participation in the LIHTC program requires the owner to irrevocably elect to comply with the following:

LIHTC Program Requirements			
Target Income (% of AMI)	Min. % of the Development's Proposed Units	Min. # of the Development's Proposed Units	Min. Time Period for Targeted Rates
50% or below	20%	8	30 years
-or-			
60% or below	40%	15	30 years

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While targeted incomes above 60% of AMI will not be specifically addressed within this development, staff finds that the amended Proffer and minimum requirements of the LIHTC program would better satisfy the requirements of the HOP than the original adopted Proffers. Should the proposal be approved, the minimum number of affordable units overall as required by HOP (20% of the total development or eight units) would be met or exceeded, depending on the owner's choice to utilize the 20-50 test or 40-60 test. The minimum time period of 30 years would also be met.

COMPREHENSIVE PLAN

The property is designated Low Density Residential on the Comprehensive Plan Land Use Map. Recommended uses include single-family homes, multifamily units, accessory units, cluster housing and recreation areas. Further, Housing Action H3.4 states the County shall "assist for-profit and nonprofit developers in obtaining funds to finance affordable and workforce housing developments from programs such as the Affordable Housing Incentive Program (AHIP)." Staff finds the proposed Proffer amendment to be consistent with the adopted Comprehensive Plan.

PUBLIC IMPACTS

Staff does not anticipate additional impacts to be generated by this Proffer amendment.

STAFF RECOMMENDATION

Staff finds the proposal to be compatible with surrounding development and consistent with the adopted Comprehensive Plan and Zoning Ordinance. Staff recommends that the Planning Commission recommend approval of this application and acceptance of the amended Proffers to the Board of Supervisors.

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Attachments:

1. Location Map
2. Proposed Proffers, dated January 23, 2019
3. Applicant Narrative, dated January 17, 2019
4. Adopted Proffers, dated February 13, 2008
5. Adopted Amendment to Proffers, dated November 28, 2017
6. Staff Report for Z-0007-2007/MP-0005-2007/SUP-0020-2007, Powhatan Terrace
7. Staff Report for Z-0004-2017, Powhatan Terrace Proffer Amendment
8. Low-Income Housing Tax Credit Program Information