



## **Project Highlights**

### **1. Affordable Housing**

Dairy Central is committed to being part of the solution to Charlottesville’s growing housing affordability problem. As currently proposed, under the formula prescribed by the City’s Affordable Housing Ordinance in Section 34-12, the project would require 5 affordable dwelling units to be built (on or off-site), or some equivalent amount paid to the City’s affordable housing fund. Dairy Central has committed to building these 5 units plus an additional 15 units, for a total of 20 units, on-site, at 80% of AMI as a condition of SUP approval. This equates to 4 times the amount required by City ordinance and represents 30% of the additional units that would be provided as a result of this Special Use Permit request.

Additionally, the team is proposing that the City partner with the developer to further increase affordability of the on-site units by providing a 10-year real estate tax abatement of 50% per year. The reduction of the real estate tax burden on the project would allow some of the 20 on-site units to be offered for rents at 40-60% of AMI, providing affordability on a variety of levels.

The 4.35 acre development does not have any existing residents, and therefore, there will be no displacement of residents from this site.

### **2. Property Value**

Increasing real estate tax assessments reflect rising property values. This is a generally a good thing for home owners as it increases home equity and total net worth. For renters, rising tax assessments can lead to higher rents which may increase housing costs. The City of Charlottesville currently has two programs available to mitigate the negative impacts of rising property taxes on the most vulnerable populations.

Section 25-56 of the Charlottesville City Code provides a grant to help offset the cost of rents paid if a person or their spouse is 65 years of age or older or is permanently and totally disabled, and has a yearly income of \$50,000 or less, and a net worth of \$125,000 or less.

Section 30-96 of the Charlottesville City Code provides for real estate tax relief if a person owns and occupies a home in the City of Charlottesville and is 65 years of age or older, or permanently disabled, and has a yearly income of \$50,000 or less, and a net worth of \$125,000 or less (excluding the fair market value of the dwelling).

Tax assessments city-wide have risen 11% in the past 2 years<sup>1</sup>. The reality is assessments will continue to rise as the economy improves and Charlottesville remains an attractive place to live – with or without the Dairy Central project. But by providing affordable housing units on site, at a rate four times that required by the City’s affordable housing ordinance, the project will play a role in addressing this challenge.

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<sup>1</sup> Suarez, Chris “Average Property Assessments Up 5.5% in Charlottesville.” *DailyProgress.com* 1/31/2018

### **3. Community Meeting Space**

Through our community conversations over the past year, we learned that there is a lack of accessible, local, and affordable meeting space for community groups like the 10<sup>th</sup> and Page Neighborhood Association and City of Promise. The Dairy Central team has designed the first level of the historic Monticello Dairy building to satisfy this need. The plan as currently drawn includes a 1,902 square-foot community/event room with modern A/V equipment and with access to a kitchen and conference room. This space will be available free of charge for monthly 10<sup>th</sup> and Page Neighborhood Association meetings, and available at a low rental rate for other community groups as the need arises.

### **4. Office Space for Local Non-Profit(s)**

The Dairy Central team is pursuing a New Market Tax Credit allocation that will allow for approximately 4,000 square feet of new office space to be leased at substantially below-market rents to local non-profits such as Habitat for Humanity. If the tax credit application is successful, we would be able to provide a long term home for one of the largest builders of affordable housing in Virginia.

### **5. Job Creation**

The Dairy Central team is working closely with the City's own "Go Charlottesville" jobs training program to identify opportunities for local employment during and after construction. By creating pathways to employment and promotion through this project, the Dairy Central team hopes to be part of the solution to breaking cycles of poverty and addressing the challenge of under-employment in certain sectors of our community.

### **6. Educational Opportunities**

The Dairy Central team is pursuing GO Virginia grant funding to provide an educational component to the food hall. Through a partnership with a local organization like the PB&J Foundation, Dairy Central hopes to provide opportunities for education and job-readiness programs in the food & beverage industry.

### **7. Affordable Child Care**

The Dairy Central team also heard emphatically that children are the heart of the neighborhood. The project team is working with a local child care provider to assess the feasibility of providing a day care center in the former Pentecostal church building at the corner of Grady Ave. and 10th St. This church building is also owned by the developer, and is a prime opportunity to create a much-needed community benefit. Additionally, children will benefit from the Go Virginia educational opportunities previously mentioned.

### **8. Pedestrian Safety**

Safety is of paramount importance to everyone involved in the Dairy Central development. New sidewalks and street lighting around the property will create a safer, more accessible environment for all ages to travel in and around the site. On-site security and additional "eyes on the street" in the form of residents, employees, and customers of the project will also reduce opportunities for criminal activity. Finally, the team is working with the City's engineering department to explore upgrades to pedestrian crossings at key intersections adjacent to the project to improve safety.

## **9. Traffic Analysis**

As a truly mixed-use and mixed-income project near the downtown, West Main St., and UVA, Dairy Central promotes alternative modes of transportation such as walking, biking and transit. Dairy Central is on a major commercial intersection in the City of Charlottesville. The City's "Streets that Work" plan designates Preston Avenue as a Mixed Use A street, and 10<sup>th</sup> Street as a Neighborhood A street.

The project team has also spent considerable design effort breaking down a super block into a series of streets and smaller blocks, weaving the project more seamlessly into the existing fabric of the neighborhood. Careful attention has been paid to the location of entrances and exits from parking areas to encourage drivers into entering and exiting the project primarily along Grady Avenue and 10<sup>th</sup> Street rather than West Street. Traffic engineers have concluded that the existing infrastructure can handle the additional traffic with minimal impact to current levels of service.

As future development continues along Preston Avenue, the Dairy Central project team has set up a point of interconnection to the neighboring parcels, allowing for internal capture of vehicle trips made, and further dissipation of traffic onto arterial streets.

## **10. Adequate Parking**

The proposed Dairy Central master plan includes spaces for up to 500 cars in structured parking below grade and in a dedicated parking deck. The project team is in discussion with the city Parking Manager to analyze the feasibility of dedicating some portion of these spaces for public use, allowing for a reduced parking burden on future development sites along Preston Avenue. Additionally, the Dairy Central project will be constructed in phases, allowing for adjustments to parking needs as the project develops.

The Dairy Central team has also heard concerns about overflow parking competing with local residents for limited on-street parking spaces surrounding the building. The project team understands this concern and is willing to support the neighborhood in petitioning for additional permitted parking on neighborhood streets with adequate enforcement from the City traffic police.

## **11. Building Massing and Design**

Dairy Central is a unique and complex site. As such, the project design team has focused on creating a design that is context-sensitive, pedestrian oriented and complementary to the surrounding neighborhood. The project team understands the importance of avoiding past design mistakes that have attracted criticism in the local community. The Dairy Market (Phase 1) building is set far back from Preston Avenue and respects the historic nature of the original Monticello Building, which is being rehabilitated.

Phases II and III of the project, which include residential multifamily units and a small corner store, are responsive to the surrounding low-density residential character. The buildings are predominantly four stories and include subgrade parking that is hidden from view. Additionally, the residential components vary in setback from 10' to over 100' from West Street, the most sensitive street adjacent to the site. The tallest portions of all buildings are located at the interior of the site, set back dramatically from adjacent properties and allowing for large landscaped residential courtyards along West Street.