

Date of Hearing: November 7, 2018

**PLANNING COMMISSION
PUBLIC HEARING
STAFF REPORT**

SUBJECT: Draft Loudoun 2040 Comprehensive Plan

ELECTION DISTRICTS: Countywide

CRITICAL ACTION DATE: At the pleasure of the Commission

STAFF CONTACTS: Alaina Ray, AICP, Deputy Director, Planning and Zoning
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PURPOSE: The purpose of this item is to continue discussion and consideration of the *Loudoun 2040 Comprehensive Plan*, which comprises the *Loudoun 2040 General Plan* and the *Loudoun 2040 Countywide Transportation Plan (CTP)*.

BACKGROUND: Following the final meeting of the Envision Loudoun Stakeholders Committee on July 9, 2018, the May 7, 2018 draft of *Loudoun 2040 Comprehensive Plan (Loudoun 2040)* was delivered to the Board of Supervisors (Board) at the July 19, 2018, Board Business Meeting. At the July 19, 2018, Board Business Meeting, the Board forwarded the draft *Loudoun 2040* to the Planning Commission (Commission) for further consideration and recommendation.

Staff provided an initial briefing to the Commission on July 12, 2018, which included an overview of the draft *Loudoun 2040* document, the forecasted number of potential new residential units above the *Revised General Plan (Plan)* through 2040, and a discussion of the Fiscal Impact Model and Travel Demand Model results based on the proposed land uses. The Commission was provided with the May 7, 2018 draft *Loudoun 2040* document, as well as all materials contained in the packet for the Board's July 19, 2018, Business Meeting.

The Commission has held several regular and special work sessions to discuss the May *Loudoun 2040* draft document. At each of these meetings, Staff has provided an overview of one or more topic areas for Commission discussion. During these meetings, the Commission requested a number of revisions to the draft *Loudoun 2040* document and asked that Staff research and study the impacts and feasibility of alternative approaches to certain aspects of the plan. Staff also presented a number of revisions recommended by the Stakeholders Committee, the general public and/or Staff, and the Commission provided guidance on which of those revisions should be incorporated into the subsequent draft *Loudoun 2040* document.

On October 11, 2018, the Commission reviewed an interim draft of the document that included most of the revisions that the Commission requested or otherwise agreed to. Following additional minor revisions and refinements, the October 23, 2018 *Loudoun 2040* draft was published for consideration at the November 7, 2018 Commission Public Hearing.

ISSUES: The following issues encompass the most significant changes reflected in the October 23, 2018 draft of the *Loudoun 2040* plan as compared to the May 7, 2018 draft:

1. Urban Policy Areas – A major feature of the May draft of the *Loudoun 2040* plan is the creation of new Urban Policy Areas (UPAs). The intent of these areas is to provide for walkable mixed-use and transit-oriented development that will support anticipated growth, offer a diversity of housing to meet changing housing needs, and offer flexible land use policies to allow for innovation and changing market demands over time. These included two UPAs near Silver Line Metro Stations with highest intensity/transit-oriented uses and a third UPA with lesser intensity of use near the intersection of Route 7 and Route 28.

During the review of the UPAs, the Commission provided direction to reclassify the Route 7/Route 28 area from UPA back to SPA, as this area is not anticipated to develop in the same dense urban pattern as the areas around the Metrorail stations. Also, classifying the Route 7/Route 28 area as UPA at this time could result in attracting development away from the Metrorail UPA areas before they are adequately established.

2. Designation of Infill and Revitalization areas – With little vacant land remaining for residential development within the SPA and high demand for new housing units, the draft *Loudoun 2040* designates numerous vacant or underdeveloped parcels in the SPA for a mixture of housing types with up to 24 units per acre. The *Loudoun 2040* plan also recognizes the need to identify and designate areas for redevelopment of aging and underperforming properties and corridors, such as older automobile-centric shopping centers, which are ideal locations for introducing new mixed use projects to reinvigorate and reactivate certain neighborhoods. Policy recommendations include providing incentives, promoting public-private partnerships, investing in public infrastructure improvements and providing land use flexibility to encourage redevelopment, revitalization, and adaptive reuse in these areas.
3. Place Types – A Place Type is a new, more flexible and comprehensive approach to land use planning. The approach differs from traditional land use planning in that it provides a way to shape the future of Loudoun by concentrating on context—the look and feel of places, their form and their character—instead of focusing only on conventional land use categories and specific uses. The May draft focuses primarily on density and intensity of development with limited design guidance for certain areas. A number of Place Type categories tailored to Loudoun define not only the basic expectations for permitted land uses for specific areas, but also preferred development patterns, streetscapes, and design features that make places and

environments visually interesting and functional. The Commission recommend the following revisions for incorporation into the Commission Public Hearing draft plan:

- a. Consolidation of certain Place Types, as some were considered redundant;
 - b. Revised Place Type formatting to include more context and guidance, such as an intent statement and additional graphic representations; and
 - c. Development of a new Place Type for the Transition Policy Area (TPA) to allow higher density in certain targeted areas, while maintaining a minimum of 50 percent open space. This Place Type is proposed to allow four to eight dwelling units per acre in a compact development pattern with a range of single-family detached and single-family attached product types. The intention would be to create clustered neighborhoods in targeted areas, while protecting significant natural features, watersheds, and natural views. This Place Type differs from typical suburban development, as it is intended to consist of small lots, zero lot lines, integrated public/civic space, and a public access component to preserved open space. Per Commission direction, staff will utilize this Place Type in the Travel Demand and Fiscal Impacts Modeling effort for the following TPA Land Bays: D, E, F1, F2, F3, I2, K2, L, M1, M2, M3, Q1, and Q2 (Attachment 3).
4. Residential Market Demand and Density – In January 2018, Kimley-Horn completed a Market Analysis as part of the Envision Loudoun effort (Link: <https://www.loudoun.gov/DocumentCenter/View/131399>). The Market Analysis was intended to provide insight into evolving real estate and development patterns that could affect future growth in Loudoun County, and includes a series of low, medium, and high market demand forecast scenarios based on third-party market and employment data designed to suggest the potential for future real estate demand of various land uses in the County through 2040. As such, these figures represent potential demand and are unconstrained by policy decisions, land availability, and public sentiment, which could each impact future growth. They focus solely on what the real estate market would support from a demand perspective through 2040 if no barriers to development existed. The numbers presented in the Market Analysis are not predictive, but rather represent future forecasts intended to be used as reference points as part of the Envision Loudoun planning process.

The demand for new housing units in Loudoun County has been high for the last two decades and the Market Analysis predicts that this demand will continue. Regarding potential future residential market demand, the Market Analysis indicates that for the 2021 – 2040 timeframe, the Loudoun County real estate market could absorb approximately 60,120 residential units, based on the medium unconstrained growth scenario. Of these, approximately 22,470 would be single-family detached, 18,760 single-family attached, and 18,890 multi-family.

In addition to the Kimley-Horn Market Analysis, the George Mason University Center for Analysis performed a Housing Needs Assessment (HNA) at the request of Loudoun County in February 2017 (Link: <https://www.loudoun.gov/DocumentCenter/View/127559>). The HNA indicated that employment-driven housing demand forecasts suggest a demand for an additional 66,604 new residential units between 2015 and 2040.

The Commission reviewed the Residential build-out data for the Plan in comparison with the forecasted market demand and the May draft *Loudoun 2040* forecast. According to the Kimley-Horn Market Analysis The May draft *Loudoun 2040* plan provided sufficient multi-family product to meet market demand, but provided only approximately 47 percent of market demand for single-family products. The Commission directed staff to provide options for meeting 75 to 100 percent of the residential market demand for single-family detached and single-family attached products through 2040, which equals approximately 11,600 to 21,900 additional single-family units. Options to absorb additional single-family units in the Suburban Policy Area (SPA) are extremely limited, as the May draft of the *Loudoun 2040* plan already maximized potential residential development to a saturation point in the SPA. Therefore, the Commission directed staff to explore options to provide the additional residential density within the TPA.

The Commission tentatively identified targeted areas for application of the new TPA Place Type, mentioned in Issue 2 above, which has the potential to fulfill 100 percent of the unmet single-family residential demand. As part of this issue, the Commission continues to discuss the long-term purpose and function of the TPA, taking into consideration past and potential future development in the area, continued pressure on the housing market in the County, and preservation of the Rural Policy Area (RPA).

5. Stakeholders Committee and Staff Recommendations – During the final few Stakeholders Committee meetings, the Committee developed a list of final recommended revisions to the Board and Commission for consideration. At the Commission’s direction, the Commission Public Hearing draft of *Loudoun 2040* includes the following recommendations:
 - a. Refining the draft Plan’s language to better convey the design goals and clarify the intent;
 - b. Revising maps to reflect the Washington Dulles International Airport runway centerlines, as well as the future fifth runway (also affirmed by the Board at the 7/19/18 update); and
 - c. Increasing the Suburban Light Industrial Floor Area Ratio (FAR) to 1.0.

Staff also provided an extensive list of recommended revisions to the Commission for consideration. Many of these recommendations relate to strengthening policy language contained within the draft *Loudoun 2040* plan and providing additional narrative context. These recommendations are largely reflected in the Commission Public Hearing draft.

6. Residential Housing Options – The Commission has discussed the need to encourage a diversity of housing products. Planning and Zoning staff coordinated with the Department of Family Services to develop additional narrative, Policies, Strategies, and Actions to appropriately address the unmet housing needs in the County. The intent is to address the various housing needs in a more holistic manner, focusing not only on affordability, but also on diversity, changes in demographics, accessibility, economic impact, and other critical topics. The new TPA Place Type discussed above is intended to provide the opportunity for unique housing products that are not currently available or have limited availability in the County and could appeal to a diversity of residents.
7. Towns and JLMAs – In keeping with the initial Envision Loudoun Charter, a coordinated effort to engage the Towns was not conducted through most of the Envision Loudoun planning process. Staff did engage with the Towns as *Loudoun 2040* was being drafted and received input that was incorporated into the May 2018 draft plan. Staff met with the Coalition of Loudoun Towns (COLT) on July 25, 2018, to discuss the Envision Loudoun process and future coordination opportunities. Staff has worked with representatives from each Town to gather additional input and recommendations regarding the draft *Loudoun 2040* plan. A joint meeting between Town representatives and the Commission was held on September 27, 2018, to discuss issues of mutual concern. The Commission Public Hearing draft includes input and recommendations resulting from these collaborative efforts. Staff will also continue to work through the COLT to engage the Towns as the review and adoption process continues.
8. Nonresidential Design Guidelines and Quality Development – Based on Board direction, an effort to draft nonresidential design guidelines is currently nearing completion. The initial intent was to incorporate these guidelines into the draft *Loudoun 2040* plan; however, the applicability, level of detail, and appropriate location for such guidelines—whether in the Comprehensive Plan or future Zoning Ordinance—is currently being assessed. The Commission Public Hearing draft of *Loudoun 2040* does include an expanded quality development section to address design considerations more generally.
9. Countywide Transportation Plan – The Commission Public Hearing version of the draft CTP incorporates a few significant revisions from the May draft. Following Board direction at the September 20, 2018 Board Business Meeting, Chapter 6 of the CTP now includes narrative and policy language related to two potential Potomac River crossings near the intersection of Route 7 and Route 28. Other changes relate to Level of Service (LOS) policies in the TPA and RPA. The Commission Public Hearing draft also includes two updates to CTP roads, adding Red Hill Road as a two-lane minor collector between Watson Road and Evergreen Mills Road and designating the entirety of Belmont Ridge Road between Northstar Boulevard and Evergreen Mills Road as a four-lane minor collector, consistent with the 2010 CTP.

ATTACHMENTS:

1. Draft Loudoun 2040 Comprehensive Plan (October 23, 2018)