

**STATEMENT OF JUSTIFICATION
WATERLOO JUNCTION REZONING, SPECIAL USE PERMIT, AND
COMPREHENSIVE PLAN AMENDMENT**

GPIN 6984-18-3915, 6984-18-2709, 6984-18-2905, 6984-18-6837, 6984-18-5649, 6984-18-3854

**Owner: BROADVIEW HODLINGS, LLC / FOG HOLDINGS, LLC
Applicant: BROADVIEW HOLDINGS, LLC**

February 3, 2022
Revised October 18, 2022

Introduction. Broadview Holdings, LLC (hereinafter, the “Applicant”), is seeking to rezone three properties identified as GPINs 6984-18-3915, 6984-18-2709, and 6984-18-2905 in the Town of Warrenton, and the Land Records of Fauquier County from R-15 to Commercial, and rezone the remaining three properties identified as GPINs 6984-18-6837, 6984-18-5649, and 6984-18-3854 from Commercial, to Commercial with Proffers. The result would be that all six parcels (collectively the “Property”) would be zoned Commercial and subject to the same set of Proffers. The Applicant is also seeking a Comprehensive Plan Amendment from Low Density Residential to Re-Planned Commercial for those three parcels that are being rezoned from R-15 to Commercial, in order for the rezoning to be consistent with the Town’s Comprehensive Plan. Concurrently, the Applicant is requesting a Special Use Permit on the entirety of the Property to allow residential units within the commercial district as a § 9-25 of the Zoning Ordinance as a Mixed-Use Development Option.

Land Use Compatibility. The Applicant seeks to re-develop the former Cheswick Motel property into Waterloo Junction, a mixed-use development. The residential component of the redevelopment will include the construction of 47 townhouses with garages (minimum 16’ in width), and the renovation and revitalization of six apartments located over the existing restaurant. The commercial component will consist of the construction of a 3,600 ft.² retail building, and hardscape improvements to the existing restaurant (O’Brien’s Irish Pub, operating out of the McMahon’s building). The mixed-use development will contain adequate parking and enhanced landscaping throughout the Property. At the heart of the development will be a centrally located park with amenities such as walking trails, benches, and a community play area. The development and its various features are shown conceptually on the Rezoning and Special Use Permit Plans prepared by Bohler and submitted with the applications for the Rezoning and Special Use Permit.

The Property is identified as a part of the Experience Broadview District in the 2040 Comprehensive Plan, which seeks to “maintain and enhance the existing commercial corridor,” while also “add[ing] nodal development with mixed-use residential anchors.” Several of the guiding principles for character districts have been incorporated in the conceptual design such as a discernable center such as a park, pedestrian connectivity, buildings close to the street, parking behind buildings, a variety of dwelling types accommodating diverse family sizes, income levels, and commercial activity, and a neighborhood edge providing a transition to surrounding uses.

The proposed development is surrounded by three roads: Broadview Avenue, Bear Wallow Road, and Norfolk Drive. The proposed development is bordered by residential uses to the north and the west. To the north, across from Bear Wallow Drive, are townhouses in the Bear Wallow Knolls development. The residential area to the west, across from Norfolk Drive, is comprised of single-family detached homes. To the south and east of the proposed development, along Broadview Avenue, it is bordered by various commercial uses including restaurants, banks, shopping centers, and other retail businesses. The Property, uniquely located between these commercial and residential uses, is well placed to accommodate the Applicant's proposed mixed-use development and serve as a transitional use.

Plan Warrenton 2040/Housing. The 2040 Comprehensive Plan seeks to bolster and improve existing commercial areas (such as O'Brien's) through the provision of nearby housing, and promote mixed use residential communities that are appropriately located as a transition between commercial corridors and existing neighborhoods. The Applicant has strived to incorporate those principles into this mixed-use development while keeping with the Town's "small-town character." The proposed development includes features that promote the Live/Work/Play concept, where there are opportunities for housing, jobs, and recreation within a single community. That model is strengthened through the provision of "attainable housing" for a diverse community including young families, professionals early in their careers, essential workers such as teachers and police officers, and retirees with fixed incomes.

Over the last three years the Applicant has created and shared numerous conceptual layouts with the Town in an effort to find the right configuration that provides an inviting and aesthetically pleasing development, and complement's the Town's vision for the community as described in the 2040 Plan. For example, the Applicant's 2019 conceptual layouts proposed numerous 2/2 units, but it was determined that this would create a skyline so tall that it did not produce a seamless transition between the commercial area and the surrounding neighborhoods. Accordingly, those units were replaced with the proposed townhouses, which ultimately make for a more natural transition to surrounding neighborhoods, as contemplated in the 2040 Plan.

The proposed townhouses will be new structures of quality designs that will improve the overall aesthetic feel of what is currently a vacant lot, containing the marks of the demolished hotel. It will also provide a seamless transition to the traditional style of the McMahon's building that provides the area with its small-town charm. The Town has expressed a desire to preserve the McMahon's building as it currently exists because of its place in local history, and its status as a local landmark. The owners of McMahon's have committed to further invest in the above mentioned hardscape improvements, new curb/sidewalk, new pavement with defined parking, and a spacious and inviting outdoor seating plaza, manifesting the Live/Work/Play concept underlying this proposed development.

Proffer Impact Analysis. A Proffer Impact Analysis, performed by MuniCap, Inc., dated May 13, 2022, analyzes the potential impacts that the proposed development will have on public facilities. The study concluded the following:

- Public School Impacts

- There are no proffer impacts contemplated as there is excess capacity within the school system to absorb students from the development.
- Public Safety Impacts
 - There are no proffer impacts contemplated as there are no improvements that increase capacity for either police or fire facilities within the Town of Warrenton.
- Public Park impacts
 - The Applicant is proposing the following Proffer contributions to offset its impacts to public parks:
 - Total development proffer contribution: public parks - \$17,283.72
 - Proffer contribution per single-family attached unit: \$335.43
 - Proffer contribution per multi-family unit: \$253.09
- Summary:
 - Total development proffer contribution: \$17,283.72
 - Total contribution for all proposed single-family attached homes: \$15,765.21
 - Total contribution for all proposed multi-family homes: \$1,518.52

The full Proffer Impact Analysis is included with this resubmission.

Economic Impact Analysis: This analysis, also prepared by MuniCap, Inc., and using the same data upon which Proffer Impact Analysis was based, shows that the proposed development will result in over \$3,163,342.00 in tax revenue to the Town over the next 30 years. The benefits from construction will be more immediate, directly resulting in jobs totaling approximately \$6,709,930.00 in annual expenditures and indirectly resulting in jobs totaling \$1,728,987.00 in annual expenditures. The proposed development further diversifies the Town's and County's tax bases, with the anticipated revenue coming from a range of sources including real estate taxes, commercial taxes, personal property taxes, sales taxes, and utility taxes. It will not be a drain on the Town's or the County's resources.

The full Economic Impact Analysis is included with this resubmission.

Walkability: Special attention was given to maximizing walkability within the development. The 2040 Comprehensive Plan calls for a strong network of pedestrian sidewalks and trails to disperse traffic and incentivize walking within Character Districts. The Applicant has proposed walking/jogging paths around the perimeter and interior of the Property that provide access to the central park, current restaurant, and future retail. The trails facilitate seamless movement throughout the Property, and the significant open space results in a development that feels well-balanced and open rather than cramped or overcrowded.

Attainable Housing. The Applicant was unsuccessful in securing commitments from national home builders for 20' Townhouses, as it limited their unit yield to the point that they were economically infeasible. In response, the selected builder is proposing to build 16' townhouses. To permit the additional density needed to make the project financially viable, and to allow for more inclusive housing, 10% of overall units will be allocated as affordable dwelling units (ADUs) which will be spread throughout the community. Five for sale townhouses and one of the rental apartments will be set aside as ADUs under conditions established by the Special Use Permit.

The current national housing shortage has driven up home purchase prices and put home ownership out of reach for many first-time home buyers and fixed income retirees. While discussing these **attainable housing** issues with the home builders, they have suggested that the current price differential between 16' townhomes and 20' townhomes is currently some \$30,000 (based on other communities where they have both products in the same neighborhood). Their pricing for 16' units in the Warrenton market shows estimated closing prices of approximately \$400,000, and \$430,000 for 16' units and 20' units, respectively. In addition to lowering the cost of units and allowing for more attainable housing within the Town, 16' units provide a number of other benefits. While each unit is only marginally smaller than the larger townhouses will, the cumulative effect is to allow more units on the Property, which will increase the total amount of real estate tax revenue that the proposed development will bring to the Town. The additional density also underwrites the creation of the ADUs, which will provide housing options for community members who are even further distanced from home ownership in the current market. Further, providing a mix of housing for different income levels within the same community is a guiding principle in the Town's 2040 Comprehensive Plan.

Commercial Retail: Over the last three years the Applicant has proposed many conceptual layouts for commercial retail. Guidance for the Broadview Character District in the 2040 Comprehensive Plan states a preference for locating retail parking behind street frontages and placing buildings closer to Broadview Avenue. Ensuring consistency with that guidance created several significant challenges. First of all, there is minimal buildable space between the two eastern entrances. Moreover, there are presently underground dry utilities on the site that run parallel to Broadview Avenue (located in front of the proposed future retail) that require mandatory setbacks. The relocation of those utilities would be far too costly and challenging, and as a result there are even fewer feasible layouts available. Ultimately, the Applicant was able to incorporate the Town's purposes while addressing these site-related constraints, but it required the Applicant to reduce the amount of commercial space from 7,700 ft.² with an end cap drive through, to 3,600 ft.². The resulting 3,600 ft.² currently proposed still provides significant opportunity for commercial/retail development within this community. Given the current state of the retail market, moreover, there is a greater likelihood that all of the 3,600 ft.² can be successfully leased.

Repositioning the proposed future retail to its current location has yielded additional benefits including the shielding of future homeowners and patrons of O'Brien's who would be seated in the proposed outdoor seating plaza, from the noise of Broadview's daily traffic. The current proposal is the product of extensive work between the Town and the Applicant to balance the economic viability of the project, extremely challenging site constraints, and the Town's vision as set out in the 2040 Comprehensive Plan. It requires a small reduction in front yard setback which will need Town Council approval. Retail elevations will be dependent upon future retail tenant needs, and marketing for future tenants cannot occur until after the rezoning, special use permit, and division of parcels are approved. Proposals would be submitted to the Town upon future proposed retail development for Town consideration and approval.

Central Open Space / Park: Another benefit of locating retail along Broadview Avenue was that it provided additional space for the central park that will serve as the centerpiece of this mixed use development. This park would serve the residents, allow O'Brien's to host small family-oriented

festivals for their patrons, and potentially host food trucks, if permitted. The park will ultimately be governed by the relevant Homeowner's Association.

Construction timeline. Construction would begin at final site plan approval with initial site work. The site work contractor estimates completion within approximately 4 months. The homebuilder has projected a timeline of approximately 18 months from the start of construction to the last settlement date. Combined, after final site plan approval, it would take approximately 22 months to build out and complete construction. No phasing is planned for the development of this Property.

Transportation Impact. The proposed development will use the two existing curb cuts on the eastern side of the Property. The proposed development will also provide an increase in parking for the existing restaurant that will also be shared with the future retail building. The previously proposed development for this site was Lidl. Lidl's 2017 traffic analysis, prepared by Gorove/Slade (and now updated with 11th edition ITE data), shows the grocer would have generated 3,428 new trips every weekday, and 4,226 trips on Saturdays. There were self-evident concerns about the traffic impacts associated with that use on the Property. Gorove/Slade has also provided trip generation for this proposed development (using the ITE 11th edition). Its review showed that 47 townhouses and 6 apartments would generate approximately **348** trips daily. The 3,600 ft.² commercial component would generate approximately 382 daily trips. The existing restaurant, which is classified as a high-turnover restaurant, generates approximately 815 daily trips. Excluding the existing uses, this proposed use reflects an 80% reduction in anticipated daily trips and a 90% reduction in anticipated Saturday trips when compared to the prior proposal.

Further, these daily trip figures are spread across the entire day. The more relevant figures in this case are those that relate to trips during peak hours. The proposed development will only add an additional 34 peak a.m. trips, 62 peak p.m. trips, and 60 Saturday peak hour trips from the Property. These figures indicate that the transportation impact of this development is minimal, and significantly less intense than the prior uses that were proposed on the site. The Applicant can submit clips from the 11th edition ITE Manual upon request.

Impact on Community Facilities. The proposed development will require connection to public water and sewer. Public water will be connected from the existing waterline along Bear Wallow Road and looped within the site. Public sanitary sewer will be connected from the existing manhole located onsite in front of the existing restaurant.

Current projections suggest that wastewater flows from the development will be approximately 24,470 gallons per day (gpd). Approximately 15,000 gpd would be associated with the residential portion of the development, and roughly 9,470 gpd would be used by the commercial development, including the existing restaurant.

Stormwater management will be provided via an underground system which will be subject to review by the Town during final site development plan review.

The Applicant will offset its impacts in conformance with the Proffer Impact Analysis completed by MuniCap, Inc., dated May 13, 2022.

Site Conditions. The six properties total 4.811 acres. The site was previously occupied by the Cheswick Motel, which was demolished in 2018. McMahon's building and current tenant (O'Brien's), which is integrated into the proposed development plan, is currently operating seven days a week. The topography of the site is generally flat with elevations ranging from 526' at the rear of the site along Norfolk Avenue to 515' along Broadview Avenue. A portion of the site is located in a 500-year floodplain.

Fire, Rescue, and Police Services. The proposed development will rely on Town Services such as fire, rescue, and police services. The proposed development will not require additional capital improvements. Property taxes and other tax revenue associated with this development could be used to support these services.

Lighting. The Applicant will prepare a detailed lighting plan in conformance with § 9-8 of the Zoning Ordinance and will install lighting in accordance with the plan. The lighting plan will be reviewed during final site plan review.

Noise. The proposed development is not likely to produce a significant increase in noise. Surrounding ambient noise is fairly typical, with no portion of this development being located adjacent to a railroad or other major noise producing roadway. Conditions of the special use permit are proposed to minimize or eliminate objectionable noise from restaurant operations. The restaurant has, of course, been in operation for a great deal of time, and no one purchasing a home in the Project can fail to know of its existence at the time of their purchase.

Screening, Buffering, and other Applicable Development Standards. The Applicant is proposing landscaping and buffering set out in the SUP Plan. Significant landscaping is proposed around the perimeter of the site and throughout the development.

The Applicant respectfully requests the following modifications from Town Council as part of the Special Use Permit:

1. Mixed-use development is less than 5 acres (4.81 acres);
2. Increase in residential density;
3. Reduction in front yard setback for future retail;
4. Front-loaded style townhouses along Bear Wallow Road;
5. Request to modify the setbacks per the Townhouse Lot Development Standards shown on Sheet 5 of the Special Use Permit Plan; and
6. Waiver of the Article 8-8.5 landscape buffer requirement between the single-family homes located on Norfolk Drive and the proposed townhouses, and between the townhouses and commercial buildings.