

MINUTES OF THE PLANNING COMMISSION MEETING
Wednesday, August 7, 2019
City Council Chambers
2400 Washington Avenue
Newport News, Virginia

PRESENT: Daniel L. Simmons, Jr., Chairman; Katie Stodghill, Vice-Chairwoman; Willard G. Maxwell, Jr.; Sharyn L. Fox; Mark W. Mulvaney; Michael F. Carpenter; Elizabeth W. Willis; N. Steve Groce; (Staff: Sheila McAllister, Director of Planning; Flora Chioros, Assistant Director – Current Planning; Rhonda Russell, Assistant Director – Comprehensive Planning; Latara Rouse, Neighborhood Revitalization Coordinator; Angela Hopkins, Senior Planner; Brian Pierce, Senior Planner; Johnnie Davis, Planner; Carolyn Poissant, Planner II; Elizabeth McRae, Landscape Planner; Camden Carpenter, Planning Intern; Lynn Spratley, Deputy City Attorney; Nyoka Hall, Zoning Administrator)

ABSENT: Zachary E. Wittkamp

CALL TO ORDER

Ms. Willis read the Planning Commission's purpose as stated in Section 15.2-2210 of the Code of Virginia. She made a motion to adopt the agenda before the Planning Commission. Ms. Fox seconded the motion. The City Planning Commission voted to adopt the agenda by acclamation.

INVOCATION

Dr. Maxwell presented the invocation.

MINUTES

The minutes of the June 5, 2019 public hearing and July 16, 2019 special meeting were approved as presented.

PUBLIC HEARING

CONDITIONAL USE PERMIT

CU-2019-0006, Studio128, LLC. Requests a conditional use permit to operate a banquet/function hall located at 7202 Warwick Boulevard. The parcel contains 1.0 acre and is zoned C2 General Commercial. The *One City, One Future Comprehensive Plan 2040* recommends community commercial uses for this parcel. The Parcel Number is 278.00.04.17.

Carolyn Poissant, Planner II, presented the staff report (copy attached to record minutes).

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Ms. Fox asked if catering will be brought into the banquet hall or if food would be prepared on-premises. Ms. Poissant stated the applicant has indicated that there are very limited kitchen facilities, so caterers would provide food.

Ms. Willis asked for clarification that this would be an event facility and not a nightclub and everything within the conditional use has been limited to the events location. Ms. Poissant stated yes. She stated events will end at 11:00 P.M. and there is a stipulation that the entire site be vacated between midnight and 6:00 A.M. She stated the occupancy is also limited to 300 people.

Ms. Willis asked how storage space within the building was determined. Ms. Chioros stated that, in the zoning ordinance, there are different requirements for different types of uses and in the case of a restaurant, you cannot discount storage space; however, in this particular use you can. She stated in this case, the storage area is used to store tables and chairs and not every banquet or event will have use of everything the applicant has, so they have to have a place to store those items.

Mr. Mulvaney asked how the consumption of alcohol would be handled. Ms. Chioros stated typically you have an event Alcohol Beverage Control (ABC) license, so for a special event you would be required to get your own or have the caterer get one. Mr. Mulvaney asked how an event permit is reviewed by ABC. He shared a scenario where he rents the facility for a dance and provides alcohol to his guests, which might resemble a night club atmosphere. Ms. Chioros stated he could not have a door charge in that instance. Ms. Chioros stated the ABC regulations are pretty stringent when you do events.

Mr. Simmons opened the public hearing.

Mr. James Chester and Ms. Valarie Chester, 22 Lynnhaven Drive, Hampton, Applicants, thanked Planning staff. They stated they were available for questions.

Ms. Willis asked what type of business classification is Studio128, LLC. Mr. Chester stated we came up with the name by combining our family birthdays. He stated we will be hosting events at the facility. Mr. Chester stated there are not a lot of places on the peninsula that host weddings and things of that nature.

Mr. Simmons closed the public hearing.

Mr. Groce made a motion to recommend approval of conditional use permit CU-2019-0006 to City Council with conditions. The motion was seconded by Ms. Willis.

Vote on Roll Call

For: Maxwell, Fox, Mulvaney, Carpenter, Stodghill, Willis, Groce, Simmons

Against: None

Abstention: None

The Planning Commission voted unanimously (8:0) to recommend approval of conditional use permit CU-2019-0006 to City Council with conditions.

2019 APARTMENT SURVEY

Ms. McAllister introduced Ms. Camden Carpenter, Planning Intern, a rising Junior at Virginia Tech, majoring in Smart and Sustainable Cities and plans to double-minor in Real Estate and Geographic Information Systems. She stated at Virginia Tech, Ms. Carpenter researched affordable apartments targeted toward Virginia Tech students to address the off-campus housing crisis in Blacksburg, Virginia. Ms. Carpenter presented the 2019 Apartment Survey (copy attached to record minutes).

Ms. Stodghill asked what is the median rent for Newport News. Ms. Carpenter stated \$1,023.34.

Ms. Fox stated it looks like our most expensive units are in the Central District and that is where our highest vacancy rate is as well. Ms. Carpenter stated yes.

Ms. Fox stated it is interesting that four bedroom apartments are cheaper than three bedroom apartments. She stated it is probably because the square footage is not that great and they have put more bedrooms in what would be normally a three bedroom space. Ms. Carpenter stated that based on the trends that she found in her analysis, recently built complexes were only building units as large as three bedrooms and were excluding the creation of four bedroom units. She stated three bedroom units are becoming more popular.

Mr. Mulvaney stated he is surprised by the lack of two bedroom apartments in the South District. He asked if Ms. Carpenter was able to determine what the vacancy rate was for the two bedroom apartments and if there is a need for more of them. Ms. Carpenter stated this analysis was only based on the number of market rate units that were two bedrooms, so essentially, there are more that were excluded due to the units either being income-based or unreachable during her data collection. She stated as far as market rate units go, there could be a need for more two bedroom units in the South District.

Ms. Stodghill stated Ms. Carpenter's presentation was amazing. She asked if Ms. Carpenter compared her findings to our region as a whole. Ms. Carpenter stated no, her analysis was only for the city of Newport News, but that could be something to consider during next year's apartment survey.

Ms. Fox echoed Ms. Stodghill's remarks that Ms. Carpenter did an excellent job. She asked if there was any opportunity to determine how many new units are coming online and how that may skew some of the survey results and data. Ms. Carpenter stated the list of apartments she got was based on the list of apartments from last year's survey, as well as development permits within the city. She stated from that initial list, she excluded all of the apartment buildings that were undergoing renovations, student housing, income-based apartments and unreachable complexes. Ms. Carpenter stated she is not sure how many complexes are in the process of being built, so that was not part of her analysis.

Mr. Mulvaney echoed Ms. Stodghill and Ms. Fox's remarks for Ms. Carpenter. He stated his concern is that the average age of apartment stock in the city is 40 years old. Ms. Willis

stated that is the average for the complexes, but everything else in the survey is done by units. She stated one old complex with five apartments can skew the data if you have a new apartment complex with 500 units. Ms. Carpenter stated she has the total number of units per complex for the five complexes that were built within the last 5 years. Ms. Willis asked if the average is based on the number of complexes or based on the number of units. She stated using the same data but breaking it down by units would probably give us a different picture. Mr. Mulvaney stated if you drive through the city you see a lot of aging apartment complexes that are pre-1979. He stated we have a lot of units that were built in the 1960s.

Ms. Stodghill asked how much the average rent decreased from last year's survey. Mr. Pierce stated the average rent last year was \$1,027 and this year is \$1,023. Mr. Mulvaney stated from an investment component, someone who is coming to look at investing in a place like Newport News and sees a declining rate year over year on the market rents may be concerned, when you typically underwrite 3% to 4% increases per year on your complex.

Mr. Carpenter stated in terms of the growth, a lot of it comes down to how much land is available today and zoned appropriately to build apartments. He stated it is not always easy to get land rezoned for apartments and there is not a lot of apartment land out there.

Ms. Stodghill asked what Ms. Carpenter gleaned from her survey. Ms. Carpenter stated it was really fascinating. She stated last year when she was in Blacksburg at Virginia Tech she studied the off-campus housing crisis for students in Blacksburg and found that there was a great need for apartments in the city. Ms. Carpenter stated she was fascinated by it, so coming to Newport News where she has grown up and studying the same thing has been a great experience for her. She stated looking at these rental rates and the way they are going, she is not sure she will be back to Newport News, but it was a great study for her to undertake. Ms. Fox stated she hopes Ms. Carpenter comes back because the city needs her.

Mr. Mulvaney asked if Ms. Carpenter was able to determine any demographics, such as the average age of occupants, for instance, is the city luring any millennials or are they mostly middle-aged. Ms. Carpenter stated that information was excluded from the study. She stated our target audience could be more career-oriented people. Ms. Carpenter stated while she was researching some of the newer complexes that were built within the last five years, she found that they were much more luxurious with a lot more amenities to accommodate people that would probably be a little older than herself. She stated some of the amenities were swimming pools, 24-hour gyms, outdoor lounging and bars. Ms. Carpenter stated the new complexes are more modern. Ms. Fox asked if the rental market might be overpriced for young college graduates. Ms. Carpenter stated yes, but to be fair, her only comparison is Blacksburg and most of the rental rates she has seen have been two-thirds of the average rental rate in the city of Newport News. She stated Blacksburg is a college town and most of the actual residents reside in homes. Ms. Carpenter stated the apartments are not restricted to students, but they are definitely advertised as such and they do a great deal to make sure that their first residents and tenants are students. Ms. Fox asked if younger millennials who want to stay or move into Newport News may opt for studio apartments, which could be a great investment in the future. Ms. Carpenter stated in

part, it really depends on a personal preference because, as her analysis found, the studio bedroom is the most expensive per square foot and if you are a college student or recent graduate, you have a lot of debt on your hands. She stated she believes the number of two bedroom units is so large and the reason could be that millennials would prefer to split costs by having a roommate, and the studio units are probably for older career-oriented people who like their privacy. Ms. Willis asked if this is information that could be included in next year's apartment study. Ms. Carpenter stated she does not know if asking for that information would be over-reaching when contacting apartment managers.

Mr. Simmons thanked Ms. Carpenter for her presentation and commended her on an excellent job.

EXECUTIVE SECRETARY REPORT

Ms. McAllister thanked Ms. Carpenter for her presentation. She also thanked Ms. Russell and Mr. Pierce for mentoring Ms. Carpenter.

Ms. McAllister stated on June 11, 2019, City Council remanded the three text amendments for short-term rentals to Planning staff for further review. She stated we have been asked to do some additional research and outreach before City Council will consider them. Ms. McAllister stated the hospitality industry is concerned about their impact. Mr. Simmons asked if there is a projected time to resubmit the amendments. Ms. McAllister stated hopefully before the end of the year.

Ms. McAllister stated on June 25, 2019, City Council approved the Tech Center Research Park Master Plan and the conditional use permit for an electronic sign for First Baptist Church.

Ms. McAllister stated we were hoping to bring the Denbigh-Warwick Area Plan to the September 4, 2019 Planning Commission public hearing, but we are now looking at bringing it forward in October. She stated when we adopted the *One City, Once Future Comprehensive Plan 2040* the policy within the document is to do plan amendments once a year, so we will be bringing plan amendments to the September 4, 2019 public hearing. Ms. McAllister stated the plan amendments are relatively minor.

Ms. McAllister stated on September 18, 2019 the Planning Commission will hear a special exception at 10 Sweetbriar Drive.

Ms. McAllister stated there are no cases for August 21, 2019. Mr. Mulvaney stated we have an amendment to the Planning Commission bylaws that could be discussed in a work session. Ms. Fox asked if there are any other items to discuss at a work session. Ms. McAllister stated we can present the plan amendments. Dr. Maxwell stated he would like to discuss short-term rentals. Ms. Fox asked if there is anything to discuss on the Denbigh-Warwick Area Plan. Ms. McAllister stated the public comment period ended July 31, 2019 and we received some comments, if the Planning Commission would like to hear what those were as well. Ms. Willis asked if there is anything to present or discuss regarding the update to the Lee Hall Area Plan. Ms. McAllister stated no. Ms. Fox stated she had

received a letter regarding the Lee Hall Area Plan, which can be discussed at a more appropriate time.

Ms. Fox made a motion to have a Planning Commission work session on August 21, 2019. The motion was seconded by Mr. Carpenter. The Planning Commission voted by acclamation.

Ms. McAllister stated Ms. Rhonda Russell, Assistant Director – Comprehensive Planning, will be leaving the city at the end of the month. She thanked Ms. Russell for her work during her time with the Planning Department.

NEW BUSINESS

Mr. Carpenter thanked Ms. Russell and Mr. Pierce for mentoring his daughter, Ms. Camden Carpenter. He stated the things she has learned during her time at the Planning Department went well beyond “Planning” and he sincerely appreciates the mentoring and help Ms. Carpenter received. Mr. Carpenter stated it takes a village to raise a child and it has been a great village this summer.

There being no further business, the meeting adjourned at 2:55 P.M.


Recording Secretary


Executive Secretary