

**COUNTY OF ALBEMARLE
PLANNING STAFF REPORT SUMMARY**

Project Name: Places29: A Master Plan for the Northern Development Areas: the Land Use Tables and the Future Land Use Map	Staff: Judith Wiegand, AICP
Planning Commission Worksession: March 31, 2009	Board of Supervisors Public Hearing: not scheduled
Magisterial District: Rio, Rivanna, Jack Jouett, and White Hall	DA (Development Area): Neighborhood 1, Neighborhood 2, Community of Hollymead, and Community of Piney Mountain
Purpose of Worksession: To present the details of the Land Use Tables in Chapter 4, Future Land Use Plan & Transportation Network, and demonstrate how these tables will be used in coordination with the Future Land Use Map. To obtain direction from the Planning Commission on the contents of the tables and to answer any questions from the Planning Commission.	

**STAFF PERSON:
PLANNING COMMISSION:
BOARD OF SUPERVISORS**

**Judith C. Wiegand, AICP
March 31, 2009
Not scheduled**

Places29: A Master Plan for the Northern Development Areas: the Land Use Tables and the Future Land Use Map

PLANNING COMMISSION BACKGROUND

During a worksession on February 10, 2009, staff presented the revised versions of Chapters 1 – 6 to the Commission. Staff has begun making the changes requested by the Commission during that February worksession.

PURPOSE OF THIS WORKSESSION

The main focus of this worksession is the text of Chapter 8, Implementation (see staff report distributed with the text of Chapter 8).

In addition, before the presentation on Chapter 8, staff would like to demonstrate how the Land Use Tables in Chapter 4 work with the Future Land Use Map. Staff would like the Commission's direction on the guidance provided in the tables since, once this Master Plan is adopted, staff will be using the tables as the basis for review of development proposals and, specifically, their compatibility with the Comprehensive Plan. Recommendations on zoning map amendments and special use permits in future staff reports will be based, in part, on the guidelines in these tables.

As the members of the Commission review the Land Use Tables and Future Land Use Map (In Chapter 4 of the Master Plan) in preparation for this worksession, staff requests consideration of the information provided in this report. At the worksession, staff will provide further details and examples.

THE LAND USE TABLES & THE FUTURE LAND USE MAP

There are two land use tables in Chapter 4:

1. Table LU1: Land Uses *in* Centers and the Uptown
2. Table LU2: Land Use Designations *in Areas Around* Centers

When used with the Future Land Use Map, the guidelines in these tables are intended to promote compact, pedestrian-friendly, transit-oriented, mixed-use development. The tables accomplish goal by:

- Restricting the uses to those that "fit" each Center type or surrounding area
- Restricting the size of building footprints (while permitting several stories)
- Recommending a mix of uses, while allowing some flexibility
- Recommending the type and size of open space(s) desired in each Center type or surrounding area

If new development and redevelopment follows the guidelines in the tables, the resulting Centers and areas around Centers will have human-scale buildings; an interconnected street network, with transit stops, and pedestrian and bicycle connections; a mix of uses; and open spaces that are planned to serve the Center and area around the Center, rather than simply included as an afterthought.

In the tables, either the types of Centers or the Land Use Designations in Areas around Centers are listed across the top of the table. The primary and secondary land uses are listed down the left side of the table. For example, the guidelines for residential uses in a Neighborhood Service Center are listed in the first cell directly beneath “Neighborhood Service Center (NS).”

Table LU1: Land Uses in Centers and the Uptown

The Future Land Use Map designates all Centers as Urban Mixed Use, which is defined in Chapter 4 as:

Urban Mixed Use. This designation is used both inside and outside of the Centers. In Centers and in the Uptown, it includes a balanced mix of retail, housing, commercial, and office uses, along with some institutional and open space uses. The types of retail and services, as well as dwelling unit types, vary depending upon the type of Center and the land uses in the area around the Center.

Primary uses: community and regional retail, commercial service, office, and other employment generators, with a mix of residential types. At least two different types of dwelling units are recommended.

Secondary uses: office/R&D/flex (where appropriate), with open space and institutional uses that are essential to place-making within Centers.

Designating each Center as Urban Mixed Use allows a developer or property owner some flexibility in determining what uses to include and how to arrange them. In cases where there is more than one property owner in a Center, either the first one to develop or redevelop will determine what uses are located where, or the property owners will work together on a plan for the Center. Where the Master Plan recommends a Small Area Plan, the distribution of uses, local road network, location of open space, and so on in both Centers and areas around Centers will be worked out during the planning process. In this case, County and VDOT staff will work with property and business owners to prepare the Small Area Plan.

Table LU1: Land Uses *in* Centers includes guidelines on:

- The land uses permitted/not permitted in each type of Center
- The number of dwelling units per acre (a range)
- The maximum height of buildings in each Center
- The maximum size of building footprints
- The potential vertical mix of uses (i.e., ground floor uses, uses on floors above)
- Requiring some uses to be inside a building
- Number and minimum size of open spaces

Each type of Center is envisioned as serving a slightly different market. More information about types and sizes of these Centers is given in Chapter 5, Place Types, and summarized on the Place Types chart in that chapter. A memo on the “Potential for Smaller Retail Anchor Stores” prepared by the Places29 consultants (and revised by County staff) is included at Attachment A. This memo provides more information on why certain uses are recommended in certain Centers and how the maximum building footprints were selected.

Table LU2: The Land Use Designations *in Areas Around* Centers table includes guidelines on:

- The land uses permitted/not permitted in each type of Center
- The number of dwelling units per acre (a range)
- The maximum height of buildings in each type of Center
- The maximum size of building footprint
- The potential vertical mix of uses (i.e., ground floor uses, uses on floors above)
- Number and minimum size of open spaces

These guidelines are intended to ensure that uses in these areas are coordinated with and connected to the Center. As with Centers, areas around them are to be walkable and transit-oriented.

QUESTIONS FOR THE COMMISSION

1. **Is the Commission comfortable with the type and amount of information provided in the two Land Use Tables?**
2. **Does the Commission believe the Tables, when used in conjunction with the rest of the Master Plan, provide enough guidance for property owners and developers?**

QUESTIONS & COMMENTS FROM THE COMMISSION FOR STAFF

Staff will be prepared to answer any questions the Commission has about the Tables and Map. If necessary, staff will return with further information or examples at the May 12, 2009 worksession.

ATTACHMENTS

Attachment A Memo: Potential for Smaller Retail Anchor Stores, dated August 20, 2007



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MEMORANDUM

TO: Judy Wiegand, Albemarle County
FROM: Phil Erickson and Sue Chan, Community Design + Architecture
SUBJ: **Potential for Smaller Retail Anchor Stores**
DATE: August 20, 2007 [March 31, 2009]

This memorandum provides some background information on retail trends in relation to smaller anchor stores and particularly grocery stores; note that this is in terms of total square footage without discussion of building footprint and two-story prototypes. It concludes with an explanation of the methodology used in determining the store sizing criteria included in the Places29 Master Plan land use tables.

[NOTE: This memo has been revised by County staff to reflect changes made in the Master Plan since August 2007.]

Trends in Retail Grocery Formats

Although the general trend in U.S. grocery retailing has been going in the direction of increasing store size and offering a wider range of goods beyond groceries to include jewelry, clothing, electronics, pharmacy drugs, and various services, such as banking and video rental, another trend has been to cater to the luxury specialty and organic foods market. However, a less perceptible trend has also emerged, the smaller size store.

The biggest news in this market is Tesco. Tesco, the largest retailer in Britain, has recently been receiving broad media attention with their expansion into the U.S. grocery market. Tesco is well established in the U.K. and has captured more than 30% of the grocery market in Britain by following well-developed market strategies and aggressive expansion policies that use their own database of consumer spending to fill market niches and target products to the right audience. This is how they have confidently entered the U.S. market. Seeing a fundamental need for smaller grocery stores, particularly in underserved neighborhoods and urban areas, Tesco is planning to open approximately 100 stores in Southern California, Arizona and Nevada within some of the states' fastest growing regions, namely the Inland Empire of California, the Phoenix metropolitan area in Arizona and the Las Vegas region in Nevada.

Tesco's Fresh & Easy market will offer a different selection of goods than convenience markets like 7-Eleven. It's slightly different from what Trader Joe's offers at their stores, although the size of stores are relatively comparable at about 10,000 to 12,000 square feet. The Fresh & Easy markets will cater to underserved markets with a whole new product that is not readily found in

lower income neighborhoods: fresh produce and healthy prepared meals. Essentially, these markets will be a high-quality convenience store.

While Tesco’s store formats and the specific offerings have not been made public, their smaller format store will fill a market niche that most larger U.S. retailers have not been able to or are not interested in filling, yet. Since Tesco’s target market in the U.S. includes lower- and middle-income neighborhoods, many of which are established in urban areas, it is more appropriate for them to build a prototype that can locate in areas where multi-acre parcels are scarce. In addition, they are also using vacant buildings where previous grocers operated smaller-format stores, but who abandoned them for larger parcels as business models called for increasing store size.

Part of the reason that Tesco has been able to capture such a large share of the British market is due to the fact that they have five different retail prototypes, from largest to smallest:

Tesco Prototypes: Store Formats & Sizes

Prototype	Square Feet (typical)	Additional Information
Tesco Extra	110,000	<ul style="list-style-type: none"> • Largest stores in Britain (sizes are increasing) • Sell entire range of goods: food, clothing, electronics • Surrounded by parking lots • One-half the size of a typical US Wal-Mart
Tesco Superstore	31,000	<ul style="list-style-type: none"> • Standard Tesco prototype
Tesco Metro	12,000	<ul style="list-style-type: none"> • Located in urban areas, typically close to transit
Tesco Express	2,100	<ul style="list-style-type: none"> • Located in city centers or as mini-marts associated with gas stations
One Stop	1,350	<ul style="list-style-type: none"> • Smallest store

With a variety of store formats, the company is able to fill all market niches in the U.K. Fresh & Easy stores would be similar to the Tesco Metro format. In the U.S., where retail markets have expanded to big box retailing, specialty and organic high-end food markets, and the typical mid-market grocers (such as, Food Lion, Giant, and Kroger), the unfilled market niche is the small and very local grocery store where consumers can swing by and pick up essentials.

Giant Eagle has a similar small market prototype in suburban Pittsburgh; possibly in reaction to Tesco’s Fresh & Easy Markets. The Giant Eagle Express is 14,000 s.f. and provides pre-made foods, produce, a café, a pharmacy, and a meat department and deli.

Another grocer that is active with smaller format stores is Fresh Market. They are a family-owned specialty market founded in 1982 in Greensboro, North Carolina. Their approach to grocery retailing is not meant to fulfill all of their customer’s everyday needs and does not include non-food items such as cleaning products or paper goods. Instead, their approach is to mimic an old world European food market where shelves are stocked with specialty foods, fresh produce, and gourmet prepared foods. Their meat, seafood, bakery and deli departments are

staffed by professional butchers, bakers, and experienced deli and seafood staff. Their store footprints tend to be larger than Tesco's planned Fresh & Easy convenience markets, with a typical store size of approximately 20,000 to 22,000 s.f. Much of their market area is concentrated in the country's south and Midwest regions, with 66 stores in 14 states generally targeted to upper-middle income communities. The company continues to expand with additional stores planned for seven different states. While grocery stores, such as Whole Foods, are expanding in store size (typical floor areas were within the 20,000 to 40,000 s.f. range, but some new stores are expanding to the 50,000 to 60,000 s.f. range), it's possible for a successful specialty store such as The Fresh Market to stay at the smaller store size by concentrating on a particular product and doing it well.

Trends for Other Smaller Retail Anchors

Tesco may be one of the biggest news items in the grocery retailing business, but this trend to smaller format stores is appearing in other U.S. retailers' expansions strategies. Home Depot is testing out stores that are 1/3 the size of their typical 150,000 s.f. big boxes. The new, smaller format will range anywhere from 25,000 to 45,000 s.f. Most will not carry lumber and will act more as a neighborhood hardware store with about half the product offering of its typical big box stores. This spring, Home Depot announced their new store format in order to take advantage of more urban areas that have either been resistant to accepting the big box format and where there is no parcel(s) large enough to build their typical big box stores. Finally, even Wal-Mart is pondering entering into the convenience store market to increase market share in urban areas, particularly since its big box expansion has saturated that market.

It's evident that many major retailers are rethinking their strategy if not to shift gears, then to add to their product offerings and expand their market. Others, such as Trader Joe's and smaller hardware stores such as Ace and TrueValue, have always operated smaller format shops. In the very near future, it will likely not be difficult to find businesses that are willing to occupy smaller format commercial space.

Retail Sizing Criteria for the Places29 Master Plan

The land use tables in Chapter 4, Future Land Use Plan & Transportation Network define a maximum building footprint or single use size for several land use types in particular land use designations. The primary reason for these limitations is to support the desired circulation network and block size. Single buildings should not be so large that they become a barrier to pedestrian circulation, particularly within mixed-use centers. Note that the size requirements are smallest in the Neighborhood Service Center designation, which complements the finer-grained character of the residential neighborhoods that surround these centers. Standards allow larger sizes in Destination Centers and employment uses, which reflect both the types of uses that surround these areas and the fact that pedestrian and bicycle accessibility is not as heavily weighted in these employment areas compared with residential neighborhoods. Yet, in the most intensive part of the Places29 area, the Uptown, the desired building footprint sizes are somewhat smaller, as pedestrian circulation is a very high priority in the Uptown. The Uptown is similar to the walkable and fine-grained building, block, and pedestrian circulation pattern of Downtown Charlottesville.

In addition to supporting the development of a finer-grained circulation network, there are other reasons for defining a desirable maximum size for retail commercial buildings or uses in some land use designations. These reasons are related to the desired function and urban design quality of particular places within the Places29 area. For example, the community and regional retail land use type allows for grocery stores of up to 15,000 sq. ft. in Neighborhood Service Centers. This requirement was determined by the desire to encourage full-size grocery stores to locate in Community or Destination Centers as they typically draw from a larger market area than a single or a small group of neighborhoods. Yet, it is possible that a smaller-sized grocery store would be economically feasible within Places29, and that such a store could be integrated into a Neighborhood Service Center without dominating the center or contributing to undesirable levels of traffic.

Similarly, the size of single-building footprints in Community and Destination Centers is also restricted, in order to support the desired urban design character of these centers and to encourage the construction of multi-level retail buildings for larger retailers. The combination of determining the retail commercial capacity within Places29, defining the maximum desirable building footprints, and providing guidelines for site and building design, creates an environment that encourages the development of more creative and attractive retail and commercial uses.

CD+A and the economic subconsultant on our team, ZHA, as well as our local urban design subconsultant, Kathy Galvin, work to keep abreast of the latest trends in the retail market in terms of format—specific retailing niches and store sizes—in order to contribute toward public policies that meet community goals for walkability, mix of uses, aesthetics, and place-making, while also creating opportunities that are viable in today’s and future markets. While working to establish the retail sizing criteria for the Places29 Master Plan, we took all of these factors into consideration.

The consultant team worked with County staff to be selective in regards to the limitation on the size of grocery stores within Neighborhood Service Centers. It is intentional that the plan defines a maximum size; once a grocery store reaches a larger size, it will start to compete more directly with the larger supermarkets in the Community and Destination Centers. A goal of the Master Plan is to avoid “over zoning” for retail uses by encouraging specific uses to locate in particular centers. Consideration could be given to increasing the maximum to 20,000 square feet, given the range of formats that retailers are currently implementing around the United States. It should be noted that this is exactly the type of monitoring and adjustment to the Master Plan that will take place as the County moves forward in working with the development community to implement the plan over the next twenty and more years.