

STAFF EVALUATION

To: Planning Commission

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Case No.: Zoning ordinance amendment, ZOA2021-00003 **Date:** September 16, 2021

General Information

Description of Proposal

To address City Council concerns, Planning staff are proposing to update the zoning ordinance to require a use permit for multifamily housing in those districts which currently allow it by-right, except in those special zoning districts which City policy envisions greater density and there are development standards to ensure an improved form of development. Staff is also proposing to modify how upper-floor dwelling units are permitted to align with the intent of the changes to multifamily housing and permit up to four residential dwellings within small mixed-use buildings where appropriate.

Zoning Definitions

Multifamily dwelling is defined in the zoning ordinance as a dwelling containing two (2) or more dwelling units. These units could be individually owned and occupied, or leased from one common owner. Within the Use Table, townhomes, duplexes, 2-family dwellings, and upper-floor dwelling units are listed as separate uses, so the amendment multifamily dwellings would not affect how those uses are permitted. Only multifamily dwellings that are not townhomes, duplexes, 2-family dwellings, or upper-floor dwelling units would be affected by the changes to that use.

Upper-floor dwelling unit is defined as a residential mixed-use development where the residential dwellings are located above a nonresidential use, with a restriction of no more than four (4) dwelling units allowed.

Community Outreach

Planning staff met with neighborhood groups including the Buckroe Improvement League, the Partnership for a New Phoebus, the Downtown Hampton Development Partnership, and the Coliseum Central Business Improvement District (CCBID). Staff also met with several multifamily housing developers, the Hampton Redevelopment and Housing Authority, and the Peninsula Realtor's Association. There was general support from all groups except for the CCBID who drafted a letter of opposition when this proposal was first presented to Planning Commission in January 2021, and City Council in February 2021.

Following that City Council meeting, staff worked with the CCBID in regular bi-monthly meetings to develop a zoning ordinance amendment to address multifamily within that area. Given the extended amount of time necessary to achieve a solution, the CCBID representatives have agreed to support this amendment as an interim measure until the work can be completed for their area.

Analysis

City Council directed staff to review how and where multifamily development occurs within the City of Hampton and how zoning regulations could better align with City priorities and policies for multifamily housing. Staff reviewed the existing regulations and identified areas where City policy envisions greater density and to improve development standards for those areas where multifamily development would be permitted by-right. For areas without those standards, the regulations would require a use permit application for consideration of the merits of the project on an individual basis.

This amendment was previously considered by Planning Commission and City Council, where it was ultimately deferred indefinitely to allow time for staff to work with the Coliseum Central Business Improvement District (CCBID) to develop a base district with improved development standards for the Coliseum Central area of Hampton. During staff's ongoing work with the CCBID, it was determined that the comprehensive update to the Coliseum Central area would be a lengthy process and staff was asked to bring forward this amendment to multifamily housing while continuing to work with the CCBID.

This amendment would modify two existing uses in our "Table of Uses Permitted", 'upper-floor dwelling unit' and 'multifamily dwelling', altering where and how the uses are permitted. Both uses also have additional standards related to how they are permitted.

The 'upper-floor dwelling units' use is currently permitted in two of the Downtown Districts and all three of the Phoebus Districts by right, as well as in the Limited Commercial (C-2) District with an approved use permit. This amendment proposes expanding the use to the Buckroe Bayfront special districts of BB-3, BB-4, and BB-5 and the Fort Monroe special districts of FM-2 and FM-3. This expansion is in keeping with the vision of the area and in places where the mixture of multifamily and commercial uses are permitted at a larger scale than the four unit limit defining 'upper-floor dwelling unit' as proposed. In this chapter, staff also proposes updating the additional standards to modernize the phrasing and organization, as well as remove the list of excluded lower floor uses related to the C-2 district. Staff determined: that the list was not exhaustive nor up-to-date; would require continual updating in the future; and given that 'upper-floor dwelling units' require a use permit within the C-2 district, a reasonable condition could be attached to the use permit which could prohibit certain lower floor uses, making use of the current ordinance, plans, policies, and site specific conditions at that time.

The 'multifamily dwelling' use is proposed to be updated to require a use permit in all districts in which it is currently permitted by-right, with the exception of specific districts where adopted plans encourage focusing multifamily development and additional standards either exist or will exist with the adoption of this amendment. In the Buckroe Bayfront and Phoebus special districts, where multifamily is currently permitted, it will remain by-right. Within the Downtown special districts, the use is being modified to remain by-right if the development meets a set of new additional standards, and if the standards are not met, a use permit may be sought.

This amendment also includes an unrelated technical language change for restaurant and micro-brewery/distillery/winery uses in Chapter 3; this language change does not impact the regulation of these uses. However, this change would make the use table easier to understand.

Staff recommends approval of ZOA 21-00003.