



CITY OF HARRISONBURG COMMUNITY DEVELOPMENT

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TO THE MEMBERS OF CITY COUNCIL CITY OF HARRISONBURG, VIRGINIA

SUBJECT: *Consider a request from the Harrisonburg Redevelopment and Housing Authority (HRHA) to amend the R-7, Medium Density Mixed Residential Planned Community District regulations*

EXTRACT FROM MINUTES OF HARRISONBURG PLANNING COMMISSION MEETING HELD ON: January 17, 2023

Chair Finnegan read the request and asked staff to review.

Ms. Dang said the Zoning Ordinance amendment is associated with a separate rezoning application for the development known as the Bluestone Town Center. The information contained in this report is only related to the Zoning Ordinance amendments. All information regarding the rezoning for Bluestone Town Center is addressed in a separate staff report.

What is an R-7 Development?

The R-7 zoning district is intended to provide opportunities for the development of planned residential communities offering a mix of single-family detached units, single-family attached units, and in certain circumstances, multi-family units. R-7 communities are developed under an approved master plan that incorporates regulatory text for the communities. Aside from particular provisions of the Zoning Ordinance (ZO) that must be met, the approved master plan is the “zoning” by which the development must abide. The R-7 zoning district requires a minimum of two contiguous acres at the time of application, a minimum of 15 percent open/green space, and at least two types of residential housing types, where no one type can exceed 70 percent of all residential units. Maximum density is limited to 15 units per acre.

What are Manufactured Homes?

Among other things, the proposed amendments include allowing manufactured homes in the R-7 district. Per the U.S. Department of Housing and Urban Development’s (HUD) website,¹ “the Office of Manufactured Housing Programs (OMHP) administers the National Manufactured Housing Construction and Safety Standards Act of 1974 (the Act) which authorizes HUD to

¹ https://www.hud.gov/program_offices/housing/rmra/mhs/mhshome

establish federal standards for the design and construction of manufactured homes to assure quality, durability, safety, and affordability.” HUD describes that “[a] manufactured home (formerly known as a mobile home) is built to the Manufactured Home Construction and Safety Standards (HUD Code) and displays a red certification label on the exterior of each transportable section. Manufactured homes are built in the controlled environment of a manufacturing plant and are transported in one or more sections on a permanent chassis.”² (Note: The term Mobile home is often used to describe a factory-built home prior to June 15, 1976.)

Manufactured homes should not be confused with modular homes. HUD explains that “[m]odular homes are constructed to the same state, local or regional building codes as site-built homes. Other types of systems-built homes include panelized wall systems, log homes, structural insulated panels, and insulating concrete forms.”³

Currently, the City’s ZO defines “manufactured home” as:

A structure subject to federal regulation, which is transportable in one (1) or more sections; is eight (8) body feet or more in width and forty (40) body feet or more in length in the traveling mode, or is three hundred twenty (320) or more square feet when erected on site; is built on a permanent chassis; is designed to be used as a single-family dwelling, with or without a permanent foundation, when connected to the required utilities; and includes the plumbing, heating, air-conditioning, and electrical systems contained in the structure.

The above existing definition is included in the ZO because the ZO has two existing zoning districts that allow manufactured homes. One is the MH-1, Manufactured Home Park District, while the other is the MH-2, Manufactured Home Subdivision District. There are currently no properties in the City zoned MH-1 or MH-2 and, currently, no other zoning districts allow manufactured homes. Thus, to the best of staff’s knowledge, this means that all existing manufactured homes within the City are nonconforming.

The applicant is requesting to amend the following sections of the Zoning Ordinance (ZO) within the R-7, Medium Density Mixed Residential Planned Community District:

- Section 10-3-57.3. – Uses permitted by right. The amendment to this section includes two modifications. The first would amend subsection (c) by increasing the number of allowed dwelling units within a multiple-family building from 16 to 64. The second modification would add a new subsection by adding manufactured homes as a use permitted by right, provided that the manufactured homes are attached to a permanent foundation, titled as real estate, and limited to one manufactured home per lot.
- Section 10-3-57.6 (c). The amendment to this section would increase the maximum percentage of multiple-family units allowed in an R-7 development from 30 percent to 50 percent.

² https://www.hud.gov/program_offices/housing/rmra/mhs/faqs

³ https://www.hud.gov/program_offices/housing/rmra/mhs/faqs

Within the applicant's submitted letter, they describe how the City defines multiple-family units. The letter does not describe the exact definition of multiple family units, thus to clarify, the ZO defines "dwelling, multiple family" as: "A building comprised of at least three (3) dwellings, not separated by a property line, where each unit is designed for one (1) family or occupancy as described by the specific zoning district."

With regard to the modifications associated with increasing the number of multi-family dwellings permitted in a building from 16 to 64 and to also increase the percentage of multi-family buildings permitted in an R-7 development from 30 to 50 percent, staff is recommending to approve. Among other things, staff considered Section 10-3-57.2, which is the R-7's "Purpose of the district" statement. The first two sentences within this section state:

This district is intended to provide opportunities for the development of planned residential communities offering a mix of single-family detached and attached dwellings and open spaces, together with certain governmental, educational, religious, recreational and support uses. Under special circumstances, limited multiple-family dwellings may also be included.

Staff believes that the proposed modifications do not change the purpose of the R-7 district. Given that the R-7 district requires the applicant to work closely with the City to create an enforceable master plan, where the master plan text and layout includes the zoning regulations to which the development must abide, and because all R-7 developments are handled on a case-by-case basis, any proposed R-7 development should be evaluated on its own merits. The flexibility of the R-7 district provides for opportunities for R-7 developments all across the City. Depending upon the details of the master plan and the location of the development, there could be opportunities to have more than 16 units within any multi-family building and staff is comfortable with amending the ZO to allow up to 64 units within such buildings. Furthermore, it is reasonable to allow developers to propose an R-7 development to have up to 50 percent of the development be multi-family units because it provides for more flexibility and due to the nature of each request being reviewed on its own merits.

Staff is also recommending in favor of the proposed modification to allow manufactured homes in the R-7 district. The proposed new use to be listed among the other allowed by right uses within Section 10-3-57.3 would be follows:

[Manufactured homes, provided that the Manufactured homes are \(i\) attached to a permanent foundation, \(ii\) titled as real estate, and \(iii\) limited to one Manufactured home per lot.](#)

Along with the specifics of the use as written above, remember that R-7 developments are permitted only with an approved master plan. Thus, and depending upon what the master plan "zoning" would allow, the City has a great deal of authority in how and where manufactured homes would be permitted.

Know that manufactured homes can be either personal property (such as a vehicle) or real property. A manufactured home considered personal property is often installed on a temporary foundation

and can be moved to another location if the homeowner decides to do so later. A manufactured home classified as real property is permanently attached to land like a conventional site-built home. The proposed addition of manufactured homes to the R-7 district would only allow manufactured homes that are attached to a permanent foundation, titled as real estate, and limited to one home per lot, like site-built single-family detached dwellings.

With the completion of the City's Comprehensive Housing Assessment and Market Study, it is generally understood that more affordable housing options are needed in the City. Among other initiatives and tools, staff believes that providing manufactured homes can contribute to creating opportunities for affordable housing in the City. While staff would need to further research and discuss whether manufactured homes should be allowed by right in other residential zoning districts, at this time, given the proposed criteria for allowing this housing type and the fact that an approved master plan is required, staff can support allowing manufactured homes in the R-7 district.

Chair Finnegan asked if there were any questions for staff.

Chair Finnegan asked could you speak to the price difference between a stick-built home and a manufactured home?

Ms. Dang said I cannot.

Commissioner Armstrong asked, with this master plan, is there still an engineered comprehensive site plan?

Ms. Dang said yes. They would have to go through preliminary platting to subdivide all the lots, as well as the engineered comprehensive site plan for the design of the roads and stormwater management. At that time, Zoning, the Fire Department, all involved departments would be reviewing the plans just like any other conventional development.

Chair Finnegan asked if there were any more questions for staff. Hearing none, he opened the public hearing and invited the applicant or applicant's representative to speak to their request.

Michael Wong, Executive Director of HRHA, came forward in support of the request. In response to the question regarding the difference in cost between stick-built and manufactured homes, there is about a 20% cost savings in manufactured homes. Manufactured homes are the future of housing. Eventually, almost all components of housing will have some level of manufactured homes. This may be an issue of shortage of labor and inability to build homes at this time. It is more cost effective, higher quality, by building in a factory type of setting. The use of robotics reduces some of costs of human labor. The manufactured homes that we are proposing meet a certain criteria called Manufactured Home Advantage which has certain building standards which are consistent with State building standards. These homes meet the same mortgage rates and appraisal values of stick-built homes. There is little to no difference, in our perspective, in regard to stick-built homes and manufactured homes that have this specialized evaluation standard.

Chair Finnegan asked if there were any questions for the applicant's representative. Hearing none, he asked if there was anyone in the room or on the phone wishing to speak to the request.

Jerry Scripture came forward regarding the request. I am not opposed to manufactured housing. I put one in Stone Spring Village. I do not think it is appropriate in this zone that we are talking about rezoning tonight because cost per square foot is marginally cheaper. The cost savings is negligible. The design shortages are palpable. This project that is being considered does not consider the cost of the product substantially. People who build in these kinds of environments can spend \$300 or \$400 dollars per square foot and still sell it at \$150 or \$200 per square feet. I think that we are blocking labor from the local marketplace. We are blocking the trades people. We are blocking the HVAC people, the electricians. We are blocking the very people who need jobs. Thank you for your time.

Shawn Thompson, 1181 South Dogwood Drive, came forward regarding the request. I am not opposed to the idea of manufactured homes in the City. I think that could be up for question. I would like to know from the applicant, why the justification for a huge jump from 16 to 64 units per area and from 30 percent to 50 percent. It seems like a very high jump. I do not need is accountable and why we have to worry about that part in addition to having manufactured homes. Thank you.

Avram Fechter, Equity Plus codeveloper with HRHA, came forward regarding the request. Going from 16 units in a building to 64 units in a building does not necessarily increase any density because you could have four 16-unit buildings on one acre or one 64-unit building on one acre. As has been pointed out, in R-7 this is being done as part of our overall master plan, so you will be evaluating the overall density per acre whether it is in one or more buildings with the units that go with them. It gives us the flexibility in designing a town center type environment to have more efficient-sized, multi-family buildings, if it makes sense to do that in the context of the overall plan. The 16 or 64 units by itself does not change density, with that one step, it is how you apply it across the whole master planned community. The same point on providing the flexibility to have 50 percent rental versus 30 percent rental. Just because we are allowed to do it by the zoning does not mean that you will allow us to do it in any given plan that we present you in an R-7 district. It provides the flexibility to have the discussion.

Chair Finnegan asked if there was anyone else in the room or on the phone wishing to speak to the request. Hearing none, he closed the public hearing and opened the matter for discussion.

Chair Finnegan said this is a more affordable way to build houses.

Commissioner Byrd said since the manufactured homes will have to be attached to permanent foundations, the City is expanding the amount of possible construction avenues that individuals may pursue. I see no issue with that. The 16 to 64 units, by itself, does sound odd. When we are talking about these things we are talking about a particular amount of land. We discuss how high the building will be. All that will be disclosed in the master plan. People get concerned with how many stories it will be. Adjusting that is more of a perfunctory activity of not limiting to a bunch of buildings. That may bring up people who are concerned about the height of buildings. If there is energy to accept that, I see no issue with it because we will be discussing in the master plan

anyway. If people have concerns, they will be addressed at that time. The 30 percent to 50 percent seems like an arbitrary number to me anyway, so changing it from one to another, I see no issue.

Chair Finnegan asked staff is the height of the building unchanged?

Ms. Dang said that in the R-7 district regulations there is a section of area density and dimensional regulations, establishing a maximum density which is 15 dwelling units per acre and a maximum building height which is 40 feet or three stories for all uses except multi-family dwellings. Multi-family dwellings can be as high as 50 feet and up to four stories.

Chair Finnegan asked is that unchanged in this ordinance amendment request?

Ms. Dang said that is correct. They have not requested a change to the height or the density for the R-7 district.

Chair Finnegan said I agree with staff on this. Staff is recommending approval. When you look into floor area ratios, the statement about not increasing the density is correct. We compare it to the property that it is on. It looks like the height restrictions do not change. I would be in favor of this request.

Commissioner Armstrong said I do not know if the public is aware of this, but with these R-7 planned communities there is a really close working relationship with Community Development. They have to review and approve the master plan. These kinds of changed parameters still have to be filtered through a master plan that Community Development approves. That, to me, is reassuring. It does mean that densities are monitored. This 50 percent green space is part of that.

Ms. Dang said you are correct. The applicant would work with staff and staff would make a recommendation. It would come before the Planning Commission and then City Council would ultimately approve the master plan.

Councilmember Dent said I am in favor of it, especially with the caveat that any R-7 would be reviewed in detail with staff.

Commissioner Armstrong said I appreciate the comment that another developer had a different experience, but I think that we have to try these manufactured homes, particularly when they are permanently mounted.

Commissioner Washington said manufactured homes have been around a long time. What has happened is that the design has gotten better. The process of making them has gotten better. I am shocked that there are no manufactured homes in Harrisonburg.

Chair Finnegan said there are, but they are non-conforming.

Commissioner Washington said they are everywhere, and over time quality has gotten better. You cannot tell the difference between a stick-built house and a manufactured home. If you look at different communities which have fully manufactured homes, they appraised at a large value

because they can last forever, just like a stick-built home. I am very excited about that based on what I have read and my research. A lot of people, when you think about who can buy what, manufactured homes are affordable.

Commissioner Byrd moved to recommend approval of the Zoning Ordinance amendments.

Commissioner Orndoff seconded the motion.

Chair Finnegan called for a roll call vote.

Commissioner Armstrong	Aye
Commissioner Byrd	Aye
Councilmember Dent	Aye
Commissioner Orndoff	Aye
Commissioner Washington	Aye
Chair Finnegan	Aye

The motion to recommend approval of the Zoning Ordinance amendments passed (6-0). The recommendation will move forward to City Council on February 14, 2023.