



CITY OF HARRISONBURG COMMUNITY DEVELOPMENT

409 SOUTH MAIN STREET, HARRISONBURG, VA 22801

OFFICE (540) 432-7700 • FAX (540) 432-7777

October 6, 2025

**TO THE MEMBERS OF CITY COUNCIL
CITY OF HARRISONBURG, VIRGINIA**

SUBJECT: *Consider a request from EP Harrisonburg Owner LLC and Cook Creek Church of the Brethren Cemetery to rezone (proffer amendment) 1010 Garbers Church Road, 1645 Erickson Avenue, 1781 South High Street, and South Dogwood Drive (Bluestone Town Center)*

EXTRACT FROM THE DRAFT MINUTES OF HARRISONBURG PLANNING COMMISSION MEETING HELD ON: September 10, 2025

Chair Baugh read the request and asked staff to review.

Ms. Dang said on February 28, 2023, City Council approved to rezone +/- 89.75-acres for the Bluestone Town Center from R-1, Single-Family Residential District, R-3, Medium Density Residential District, and B-2, General Business District to R-7, Medium Density Mixed Residential Planned Community District. In connection with the rezoning approval for the property, the following documents together are the approved Master Development Plan for the development known as Bluestone Town Center:

- Master Plan Zoning Requirements for Bluestone Town Center, revised February 24, 2023.
- Bluestone Town Center Rezoning Request Proffer, revised January 13, 2023.
- Street Improvement Agreement, dated March 1, 2023.
- Master Plan Layout, revised January 10, 2023.
- Typical Manufactured Home, Single Family Detached, and Townhome Landscape Plan, dated February 24, 2023.
- Page 2 of the Conceptual Site Layout, revised February 24, 2023. (Note: This layout is conceptual and not part of the master development plan, except for the reference from the Master Plan text in Section F, Other Regulations, Subsection (3) to general locations of park areas shown.)

A copy of the approved Master Development Plan is attached and additional information on the 2023 rezoning is available at: <https://harrisonburg-va.legistar.com/LegislationDetail.aspx?ID=6041039&GUID=AC21AE3C-5425-4D02-8432->

[1A30AA805A11&Options=&Search=](#). Additionally, a document titled *What is an R-7 Development? Information Sheet* is attached herein for a reminder as to how R-7 zoning is implemented.

The applicant is requesting to amend the existing proffers as described below. All other documents will be readopted as part of the Master Development Plan.

Proffers

The existing 2023-approved proffers will remain the same except for an amendment to proffer 1.a.ii and removal of two proffers that were not approved by City Council on February 28, 2023. Attached within the applicant's supporting documents are two versions of the proffers; one with tracked changes and a clean version.

The applicant is requesting to amend Proffer 1.a.ii. as shown below (written with changes tracked):

1. ***Provision of Affordable Dwelling Units. Provision of Affordable Housing.***

Where the Master Plan indicates residential uses, the residential dwelling units within the Project are two-fold: a) for-purchase units; and b) rental units. The Project will incorporate affordable housing components as set forth below:

- a. For-Purchase Units (single-family detached dwellings, manufactured homes, and townhouses):
 - i. Term: The For-Purchase Units affordability period shall only be upon the initial sale from the Developer to the initial homebuyer.
 - ii. Income Restrictions: 100% of the For-Purchase Units will be initially sold and restricted only to households with incomes ~~below~~ ~~between 80% and~~ 120% of the Area Median Income (AMI), as established and updated regularly by the U.S. Department of Housing and Urban Development (HUD).
 - iii. Compliance and Monitoring: Upon request from the City, the Developer will provide certification of household income eligibility for all For-Purchase Unit sales.

A summary explanation of Area Median Income (AMI) is available at the following Housing Forward Virginia webpage: <https://housingforwardva.org/news/fwd-b06-area-median-income/>.

The following paragraph, quoted from a letter submitted by the applicant, describes the reasoning for the proposed proffer amendment:

In 2023, at the time of the original rezoning application, the Owner had not selected a developer/contractor to construct the for-purchase residences. Nor did the Owner think it would be economically feasible for a developer/contractor to construct quality homes for sale to persons with an AMI of below 80%. Since that time, the

Owner has contracted with NVR, Inc. (“Ryan Homes”) to develop and construct certain for-purchase single-family homes and townhouses. During contract discussions, Ryan Homes stated that it would be able to construct and offer some of these residences for sale to families with an AMI at 60% and above while maintaining the quality required by the Project and Owner. Ryan Homes is also offering financing for these home purchases.

In addition to the above proffer amendment, the original text for proffers 2.b. and 4 are both proposed to be replaced with the statement “Not Approved by City Council on February 28, 2023” as neither proffer was accepted and approved by City Council in 2023. Lastly, the Property Information section within the proffer letter has also been updated but is not shown in tracked changes.

Conclusion

Staff has no concerns with amending proffer 1.a.ii. This amendment does not cause any changes to planned land uses, transportation facilities and traffic, public utilities, or projected school enrollment. Amending proffer 1.a.ii. could allow a larger pool of homeowners (to include those below 80% AMI) the opportunity to purchase a home. As noted earlier, all other components of the development would remain as approved in 2023. Staff recommends approval of the rezoning request by amending the described proffers.

Chair Baugh asked if there any questions for staff.

Councilmember Dent said I see in this letter from the applicant’s representative that Ryan Homes is also offering financing for the home purchases for the lower income range. That does open up for more affordable housing.

Chair Baugh 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, the applicant representing the Harrisonburg Redevelopment and Housing Authority, came forward to speak to the request. He said we are codevelopers of this property with Equity Plus LLC. It has been a long three years of getting to this point, but we feel like we are very close to be able to start construction and building some affordable homes in our local community. This adjustment is due to analysis that identify that overall within our community that three-bedroom rents were approximately \$600 a month and that if at the pricing we are looking at with Ryan Homes these townhomes would be sold for \$220,000 to \$240,000. Which is about \$1,600 a month to mortgage payments. It does allow us to be able to serve low-income level individuals and create more affordability. We did go out and interview a number of different local owners and builders and we go to potentially building these townhomes to sell separately. But after we received the proposal from Ryan Homes with the ability to finance homes, they say they are the third largest builders in the nation. They have pricing powers to be able to bring these units in at a cost effective rate. The Board of Commissioners signed off on a letter of intent to engage them for these homes. We are excited about bringing the opportunity to serve individuals or families at that 60% AMI. Which you are talking about \$63,000 to \$64,000 minimum if you are a family of four. That could

be a single parent working with children. So it would cover the cost for a very broad spectrum of residents within our local community. I would be happy to answer any questions you have.

Commissioner Alsindi said I have been there once and twice, I have children that go to the high school there. Sometimes there is a smell and an odor because there is an agricultural project over there. I do not know wind wise has that been taken into consideration given that this is going to be a residential project. If there is constantly an odor or smell that is not pleasant to live with is that considered?

Mr. Wong said being a native from this area and growing up in a poultry farm, my dad used to say that smell is the smell of money. We definitely recognize implications of that. Our understanding is that the potential, for in the long term, of that poultry farm continuing for an extended period of time is very minimal. We do not anticipate as we go through the phases of construction that it would be a long-term issue or impact.

Vice Chair Porter said I remember during the initial process there was going to be some single-family homes on the site. Those were going to be factory-built homes, is that still the plan?

Mr. Wong said that is correct, manufactured or modular homes. We are still pricing it out and determining who is going to be the provider for that but that would be part of this phase too as we move forward.

Vice Chair Porter said which phase or which part of the development will be begin first? I am just interested in terms of whether it is going to be the town homes, the rental homes, the single-family homes.

Mr. Wong said the infrastructure is kind of the key function. Where to put the water and sewer, electrical connections in and coming off of Garber Church Road. We anticipate that would be the townhomes, that would be created first. We also need to extend the infrastructure to the senior and multi family housing that we are proposed building on this site. We have received a [unintelligible] submittal here about \$11 million in soft monies and grant funds to support this project and receive the 9% credits for the senior housing. We are trying to do these in as much of a comprehensive approach as possible. For the base answer, it will be the townhomes initially that will be built, and it will probably be a year before we have the road to the multifamily housing.

Vice Chair Porter said I am probably just speaking more on behalf of some of those that were expressing concerns during the initial process. Can you speak to any assurances you are going to get from Ryan Homes in terms of the quality of the building and that these are going to be high quality homes that will stand over time?

Mr. Wong said we believe very strongly that the models of these townhomes are similar to what is being built south of town at this time. Beacon Crest I believe is a term of the development. Those have been a very quick and a large amount. I think they are very high quality. We are very impressed with the quality of the Ryan Homes.

Councilmember Dent said how does Ryan Homes construction interact or compliment the manufactured homes? Do they do the concrete layout for the foundation? Do they have a role with those as well?

Mr. Wong said no they do not. We have gone out and selected a contractor for the infrastructure activities and they will be constructing the pads for Ryan Homes and we will sell those individual pads and lots to Ryan Homes and the lot spaces for the single-family homes.

Councilmember Dent said as I recall from a process before, there was a phasing of no more than 100 units per year possibly except for the first year when you have more townhomes and the senior housing. Is that more or less still the plan?

Mr. Wong said it is but we may be back to amend those proffers. I think 150 was the requirement for us to build some of the transportation improvements. Since that time the cost for those transportation improvements has almost tripled from \$1 million to \$3 million and so that has impacted our ability to be able to potentially meet that. We are analyzing the traffic impact and may come back at a later point and amend our proffers for that.

Chair Baugh asked if there were any questions for the applicant's representative. Hearing none, he opened the public hearing and asked if there was anyone 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 Baugh closed the public hearing and opened the matter for discussion.

Vice Chair Porter said I would almost say that in my present role as the Executive Director of Central Valley Habitat for Humanity, which I have been at for about a month now, I am beginning to fully understand how difficult it is to build homes that are high quality homes for folks that are under the 80% AMI. I am grateful to see that this is an option. I think it delivers on the promise of what Bluestone Town Center was supposed to be and what was presented to our community. I know that there was a lot of folks out there that had concerns about the development, but I think this is a sign that at least there is some effort there to try and deliver on the promise on providing high quality affordable homes and I am glad to see this proffer.

Commissioner Alsindi said I also see that the amendment to the proffers is expanding the value of the project. I would be in favor of voting for it.

Commissioner Kettler said I am also excited to see in the expansion of it being expanded so that folks of lower income are able to be included in that as well.

Commissioner Alsindi said Mister Chair I would like to make a motion to approve the request.

Vice Chair Porter seconded the motion.

Chair Baugh called for a roll call vote.

| | |
|----------------------|-----|
| Commissioner Seitz | Aye |
| Vice Chair Porter | Aye |
| Councilmember Dent | Aye |
| Commissioner Alsindi | Aye |
| Commissioner Kettler | Aye |
| Chair Baugh | Aye |

The motion to recommend approval of the rezoning request (proffer amendment) passed (6-0).
The recommendation will move forward to City Council on October 14, 2025.