

STAFFORD COUNTY, VIRGINIA
ZONING RECLASSIFICATION

IMPACT STATEMENT

Applicant: Johnson Development Associates, Inc., a South Carolina corporation

Owner: Richard E. Ward, an individual; Canyon Development Company, Inc., a Maryland corporation (collectively referred to as the “Owner”) (**Exhibit A**)

Property: Tax Map Parcels 45-37G, 45C-1-17, 45C-1-16, 45C-1-14, 45C-1-7, 45C-1-11, 45C-1-10, 45C-1-9, and 45C-1-8, consisting of a total of approximately 21.052 acres (the “Property”), all as shown on the attached generalized development plan (“GDP”) titled “GENERALIZED DEVELOPMENT PLAN (GDP) JDA MUSSELMAN ROAD” prepared by Bohler and dated April 21, 2023, attached hereto as **Exhibit B**.

Project Name: “JDA MUSSELMAN ROAD”

Reclassification: From Suburban Residential (R-1) and Urban Commercial (B-2) to Light Industrial (M-1)

Date: April 21, 2023

File No: RC_____

APPLICATION REQUEST

The Applicant and Owner hereby request a rezoning of the Property from R-1 and B-2 to M-1 in accordance with the Stafford County, Virginia (the “County”) Zoning Ordinance, including without limitation Article III, Section 28-35; Article X, Section 28-161, et seq.; and Article XII, Section 28-201, et seq., in order to develop a moderate industrial warehouse and other permitted industrial uses under the M-1 zoning district, all as discussed further below.

OVERVIEW

The Applicant is Johnson Development Associates, Inc. (“JDA”). With a rich history dating back to the 1980s, JDA has evolved into a multi-division national real estate developer in the industrial, multifamily, and self-storage arenas, with offices in South Carolina, Florida, Texas, Pennsylvania, California, and Washington, D.C. JDA is known for its perceptive business insight, extensive market knowledge, and skilled investment strategy.

Since the 1980s, JDA has developed multiple standalone sites and 25 industrial parks consisting of over 28 million square feet of industrial space, and partnered with more than 140 clients in the process. More specifically, JDA has developed four (4) industrial buildings in Virginia – two (2) facilities in Winchester, one (1) facility in Sandston, and one (1) facility in Ashland.

Like other industrial developers investing in the County, JDA is attracted to the County due to the its proximity to I-95 within the Mid-Atlantic region. JDA is also attracted to the Property due to its strategic location immediately adjacent to Interstate-95 directly off Exit 133, all as generally depicted on the GDP and further discussed herein. The proposed project will not only provide new growth opportunities for JDA customers, but also generate new employment and tax revenue opportunities within the County.

As further noted above, the Property is currently zoned R-1 along Musselman Road and B-2 along Interstate-95, as shown on the GDP. The Applicant proposes changing the zoning districts from R-1 and B-2 to M-1 to allow for the development of an industrial campus consisting of a warehouse and industrial uses permitted in the M-1 zoning district. Section 28-35 of the County's Zoning Ordinance states that the purpose of the M-1 district is:

“...to establish areas of the county to provide for certain types of business and industrial uses characterized by light manufacturing, fabricating, warehousing and wholesale distribution, which are relatively free from offensive activities and which, with proper performance standards, will not detract from residential or commercial desirability of adjacent properties. It is intended that the M-1 district encourage the development of parks for the location of these uses. These districts should be located only where all necessary public utilities are available and where transportation systems are adequate.”

As mentioned above, the Project is expected to include a warehouse and other industrial uses permitted in the M-1 zoning district – with a maximum floor area ratio not to exceed 0.50, as provided in the Proffer Statement (defined below). Also note that approximately 20% of the Property will be preserved as open space and include significant buffering and setbacks from our neighbors, all as shown on the GDP.

Generally, the Property is conveniently located immediately east of Interstate-95 Exit 133, and just south of Warrenton Road at the intersection of Thomas Lane and Musselman Road, within the George Washington District, all as more particularly described on the GDP, which is attached hereto and incorporated as a material part of this application by this reference. The Property is bounded to the north by Interstate-95 Exit 133 and Warrenton Road; to the east by single family detached homes zoned R-1 and townhomes zoned R-2; to the south by single family detached uses zoned R-1 and land zoned R-3; and to the west by Interstate-95 with industrial uses located across the interstate on parcels zoned M-1. Accordingly, we believe that this Project is strategically located to provide (1) a quick access to Interstate-95 via Exit 133 and (2) an appropriate transition between the intense Interstate-95/Exit 133 traffic and the less intense than the commercial uses that could be developed on the Property under the B-2 zoning district (by-right) including but not limited to a hotel, motel, car wash, funeral home, and/or convenience center.

As described in more detail below, the Applicant’s proposal generally conforms to the policies established by the County’s Comprehensive Plan (the “Comp Plan”), and the Property is within the Falmouth Gateway Targeted Development Planning Area (“TDA”) and within the County’s Urban Services Area (“USA”) for future land use purposes.

In support of this application, the Applicant prepared a Fiscal Impact Analysis, dated February 3, 2023, and titled “Economic and Fiscal Impact The Proposed Falmouth Industrial Development in Stafford County, Virginia”, and is attached hereto as **Exhibit C** (the “FIA”). In summary, the FIA concludes that the Project is expected to generate \$6.1 million in positive annual impacts for the County during construction and development of the Project, \$14.2 million in positive annual impacts during operations, and \$307,015.00 in annual net County tax revenues during the Project’s first year of operations. Also note that in addition to positive tax revenues, the Project is expected to have minimal impacts on County services like schools and parks. And, as discussed further below, the Project is expected to generate additional, new career and employment opportunities within the County, and support County businesses.

Additionally, the Applicant prepared a Traffic Impact Analysis for the Project, dated April 7, 2023, and titled “Traffic Impact Analysis Musselman Road Property Stafford County, Virginia”, and is attached hereto as **Exhibit D** (the “TIA”). As provided by the TIA, the Project is expected to generate approximately 74 total vehicle trips during the AM peak hour and 74 total vehicle trips during the PM peak hour, as discussed further below. Overall, the TIA concludes that the Project is not expected to have a substantial impact on the surrounding transportation and roadway network.

Finally, the Applicant included a proffer statement (“Proffer Statement”) with this application of an even date herewith, which in relevant part limits the maximum floor area ratio its structures and permitted uses on the Property.

COMPREHENSIVE PLAN ANALYSIS

1. The Property’s Classification Supports Project Approval

The Comp Plan identifies the Property as being within the County’s USA, which are areas designated within the County in which growth should occur in order to reduce growth pressure in rural parts of the community. More dense development projects are encouraged within these areas. USAs are further comprised of planning areas, suburban areas, business and industry areas, and redevelopment areas. Planning areas highlight the locations where a significant amount of new development and redevelopment is expected to occur.

As mentioned above, this Property is classified as part of the TDA within the County’s USA. Within the TDA, most of the Property is designated for commercial – retail and office – with a small portion designated for residential uses. While the Project does not include residential or retail uses, it will include a modern industrial use or uses to include warehousing and storage, distribution and logistics, office, and related light industrial uses. In this regard, the Project will serve as an appropriate transitional use between Interstate-95 to the west and residential uses to

the east; and, generally we believe that this Project is the highest and best use for the Property due to its immediate proximity to Interstate-95 and Exit 133.

2. The Project Satisfies the Comp Plan's Goals for Future Development

The County has articulated its overarching goals for future development and land use in its Comp Plan, which serves as a general guide for the County's future development over the next 20 years. According to the Comp Plan, new development must (1) be sustainable and promote positive job growth; and (2) promote economic development.

We believe that the Applicant's Project satisfies these development goals, as detailed below.

2.1. The Project contributes to County's sustainable and positive growth

As discussed above, the Project satisfies the County's goal to contribute to sustainable and positive growth. This Project will be JDA's first warehouse in the County, and is expected to support local businesses and provide long term job opportunities to local residents.

Specifically, the Applicant's FIA concludes that the Project is expected to generate sustainable and positive economic impacts within the County. It is estimated that the Project will employ 96 workers in 2026 when fully operational. And, the business operations are expected to generate approximately \$14.2 million in economic impact (direct, indirect, and induced) in the County that will support 131 jobs per year in 2026. The impact of the Project in future years is similar.

Not only will the Project provide long term jobs to the local workforce, but also the Project is expected to consistently generate positive tax revenues to the County. Construction of the Project is expected to expand the tax base as well as increase real estate tax revenue for the County – annual real estate tax revenue is estimated to be \$227,565.00 in 2026 for the County. Further, annual business personal property tax revenue is estimated to be \$79,450.00 for the County in 2026. In summary, business operations of the Project can generate an estimated \$307,015.00 in positive annual tax revenues for the County beginning in 2026.

2.1.1. The Project's location within the USA supports development

The Project satisfies the County's goals for new development within the USA. Its location within the USA furthers the County's goal for locating new growth therein and reducing pressure on the rural parts of the County.

Further, the Project will be serviced by the existing public sewer and water utilities. The Comp Plan requires that development proposals for projects requiring a zoning reclassification, and which are located within the USA boundary and are dependent on future infrastructure and services, should not be developed until the projected infrastructure and services have been implemented or scheduled to be phased concurrently with the demand. Because a majority of the infrastructure is in place or already planned (i.e., the water storage and pump house – *please see* GDP), the Applicant has met this requirement.

2.1.2. The Project's location within the Falmouth Gateway TDA supports development

The Falmouth Gateway TDA is situated along Warrenton Road, on the east side of Interstate 95, and consists of approximately 866 acres. This TDA is noted as an “aging commercial corridor [with] the potential for redevelopment.” The near term-development goal for this TDA is to focus on supporting businesses along the corridor on undeveloped land. Further, the Comp Plan provides that developments within this TDA should include upgrades to roads identified in the Transportation Plan. Overall, given the its location south of Warrenton Road along Interstate-95 on undeveloped land, we believe that this Project aligns with the goals of the TDA by placing a new business along Interstate-95 and improving Thomas Lane, as further described below.

2.2. The Project promotes the County's economic development

The Project's location within the County's USA and Falmouth Gateway TDA, as well as its industrial characteristics, promote the County's economic goals of job creation while supporting retention and growth of the County's existing businesses and industries.

The Comp Plan has set forth several economic development goals and requirements for new developments. First, the County seeks to promote its reputation as a business-friendly community. Second, the County encourages the development of accessible, convenient, and attractive commercial and industrial locations within the USA.

The Project satisfies all of these goals. First, it brings new business and industry to the area, thereby diversifying the County's economic base and promoting job creation within the County. Second, the Project's strategic proximity to Interstate-95, and more particularly Exit 133, is accessible, convenient, and attractive, and as previously discussed, the Project is located in an area that has been identified by the County as an economic development priority focus area, and we believe this Project will be an appropriate buffer between residential uses and Interstate-95.

Pursuant to the conclusions in the FIA, it is anticipated that the Project's total cost will be approximately \$24.9 million (in 2023 dollars). Construction is expected to commence in 2023; and on an annual average basis, construction of the Project is expected to inject approximately \$6.1 million (direct, indirect, and induced impact) into the County economy and support 32 jobs per year from 2023 to 2025.

Further, the ongoing operations of the Project will generate significant economic impacts in the County. As discussed above, the Project will consist of one warehouse with 218,400 +/- total square feet of space. It is expected that operations will commence in 2025 after construction is complete. The first full year of operations will be 2026. It is estimated that the warehouse will employ 96 workers in 2026 when fully operational, and the estimated total revenue (or sales) of the warehouse will be \$9.2 million (in 2026 dollars). Note that in total, business operations are expected to generate \$14.2 million in economic impact (direct, indirect, and induced) in the County that will support 131 +/- jobs per year in 2026. The impact in future years is similar.

The Project will also bring in tax revenue to the County. Annual real estate tax revenue is estimated to be \$227,565 in 2026 for the County. Further, business personal property tax revenue is estimated

to be approximately \$79,450.00 for the County in 2026. In summary, business operations at the Project can generate an estimated \$307,015.00 in annual tax revenue for the County beginning in 2026.

TRANSPORTATION IMPACT ANALYSIS

As mentioned above, the TIA was developed in accordance with the Virginia Department of Transportation (“VDOT”) and County transportation impact analysis guidelines, and generally offers the conclusions and findings noted below.

The Project is situated across eight parcels in the County, and is expected to consist of approximately 218,400 square feet of warehouse and industrial uses. The Project is expected to be complete and in operation by 2025.

Access to the Project will be provided via one (1) full-movement entrance along Musselman Road (forming the fourth leg at the existing intersection across Thomas Lane).

As more particularly discussed in the TIA, the Project is expected to generate approximately 74 total vehicle trips during the AM peak hour and 74 total vehicle trips during the PM peak hour.

Discussions regarding the TIA assumptions and relevant background information were held with VDOT and County staff in February 2023. A finalized scope was agreed upon and signed on March 20, 2023. In this regard, the TIA presents the 2023 Existing Conditions, 2027 Future Conditions without Development, and 2027 Future Conditions with Development. The TIA concludes the following:

- **2023 Existing Conditions**

- Based on the capacity analysis of existing conditions, the signalized study intersection currently operates at overall acceptable levels of service during the AM and PM peak hours. All approaches at all study intersections operate at acceptable levels of service during the AM and PM peak hours except for the northbound approach at the intersection of Warrenton Road and Olde Forge Drive during the PM peak hour.
- Based on the analysis of the average maximum queue lengths, all turning movements have queue lengths that were accommodated within the available storage length of the turn bays.

- **2027 Future Conditions without Development**

- Based on the capacity analysis of future conditions without development, the signalized study intersection is anticipated to operate at overall acceptable levels of service during the AM and PM peak hours, similar to existing conditions. All approaches to all study intersections are anticipated to operate at acceptable levels of service during the AM and PM peak hours except for the northbound approach

at the intersection of Warrenton Road and Olde Forge Drive during the PM peak hour.

- Based on the analysis of the average maximum queue lengths, all turning movements are anticipated to have queue lengths that are accommodated within the available storage length of the turn bays.
- **2027 Future Conditions with Development**
 - Based on the capacity analysis of future conditions with the Project development, the signalized study intersection is anticipated to operate at overall acceptable levels of service during the AM and PM peak hours, similar to existing conditions. All approaches to all study intersections are anticipated to operate at acceptable levels of service during the AM and PM peak hours except for the northbound approach at the intersection of Warrenton Road and Olde Forge Drive during the PM peak hour.
 - Based on the analysis of the maximum queue lengths, all turning movements are anticipated to have queues that are accommodated within the available storage length of the turn bays.

Overall Conclusion

Based on the capacity and queuing analysis results, the Project will not have a substantial impact on the surrounding transportation and roadway network. Minor signal timing adjustments, which would also minimize approach delays without the Project, are recommended to optimize operations at the intersection of Warrenton Road and Olde Forge Drive.

Additionally, the Applicant agrees to mill and overlay approximately 1,165 linear feet of 24' wide pavement on Thomas Lane; and where the pavement is not 24' in width, the Applicant will provide full depth pavement in addition to the mill and overlay, as more particularly described in the Proffer Statement.

IMPACT ANALYSIS

1. **Current capacity of and anticipated demands on roads, utilities, schools and recreational facilities.**
 - 1.1. *Roads.* The TIA concludes that the Project is not expected to have a substantial impact on the surrounding transportation and roadway network. However, the Applicant agrees to provide the improvements to Thomas Lane, described more particularly above.
 - 1.2. *Utilities.* As noted above, the Property is located within the County's USA and public water and sewer will be available to the Project through proposed connections to public infrastructure. As a part of the development of the Project, a water storage and pump house building will also be constructed on the Property to serve the Project.

1.3. *Schools*. The Project will not impact schools.

1.4. *Recreational Facilities*. The Project will not impact parks and recreational facilities.

2. Fire & Rescue. It is anticipated that the Project will be served by Station #12, which is located approximately 1.9 miles west of the Project. The Project is expected to have minimal impacts to current County capacity levels for fire and rescue.
3. Fiscal Impact. During development and construction, the Project is expected to generate:
 - A. Total project costs of approximately \$24.9 million;
 - B. \$14.0 million (in nominal dollars) in direct economic impact; and
 - C. 68 direct jobs, with a majority in the construction trade.

In 2026, at full operation, the Project is expected to generate:

- A. \$227,565 in real estate taxes;
 - B. \$76,450 in business personal property taxes;
 - C. \$9.2 million (in nominal dollars) in direct impact (revenue or sales); and
 - D. 96 direct jobs.
4. Environmental Impact. Given the limited environmentally sensitive areas on the Property, as depicted on the GDP, the Project is not anticipated to adversely affect environmental resources. Any adverse impacts will be mitigated.
 5. Impact on Adjacent Properties. Generally, nearby properties are residential with Interstate-95 along its western boundary line. The Project is compatible with and a good transition between development on the surrounding properties and the interstate. We do not believe there will be any adverse impacts to those properties. Any adverse impacts to the surrounding properties will be mitigated.
 6. Historical Sites. As related to the Project, Dovetail Cultural Resource Group completed a Phase IA archaeological study, which is attached hereto as **Exhibit E**. Generally, the construction of Interstate-95, utility construction, and recent forestry clear cutting suggests limited potential for subsurface archaeological resources as the soils within the Property are disturbed – Accordingly, Dovetail does not recommend further archaeological work. Further, while the Property marginally intersects the Civil War Sites Advisory Commission/American Battlefield Protection Program-defined Chancellorsville Battlefield Study Area, this portion is heavily disturbed by construction of Interstate-95 and by the Warrenton Road/I-95 interchange immediately to the north. Metal detector survey is not recommended within the Project.

The Phase IA architectural study noted all previously recorded and unrecorded above-ground resources 50-years of age or older within the Property area. Within the Property, Dovetail identified 24 previously recorded and eight unrecorded resources. Three of the previously recorded resources received a formal determination of eligibility from the Virginia Department

of Historic Resources (“DHR”) within the last five years. As such, Dovetail recommends that these resources do not need to be the subject of a Phase IB survey. The remaining 29 resources have either not been surveyed and evaluated for the National Register of Historic Places (“NRHP”) within the last five years, have never received a formal NRHP eligibility determination or are newly identified as part of this effort. Dovetail recommends that these 29 resources should be the subject of a Phase IB reconnaissance-level survey.

7. Exhibits: The following exhibits are enclosed with and are a material part of this application:
 - 7.1. **Exhibit A** – List of Parcels & Owners
 - 7.2. **Exhibit B** – GDP
 - 7.3. **Exhibit C** – FIA
 - 7.4. **Exhibit D** – TIA
 - 7.5. **Exhibit E** – Desktop Study

EXHIBIT A

List of Parcels & Owners

<i>Tax Map #</i>	<i>Owner</i>
45-37G	Canyon Development Company, Inc.
45C-1-7	Canyon Development Company, Inc.
45C-1-8	Richard E. Ward
45C-1-9	Richard E. Ward
45C-1-10	Richard E. Ward
45C-1-11	Richard E. Ward
45C-1-14	Richard E. Ward
45C-1-16	Canyon Development Company, Inc.
45C-1-17	Canyon Development Company, Inc.

EXHIBIT B

GDP

EXHIBIT C

FIA

EXHIBIT D

TIA

EXHIBIT E
DESKTOP STUDY

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