

STAFFORD COUNTY, VIRGINIA

ZONING RECLASSIFICATION AND CONDITIONAL USE PERMIT APPLICATION

IMPACT STATEMENT

Applicant: EXEL INC., a Massachusetts corporation, d/b/a/ DHL Supply Chain (USA) (the “Applicant”)

Owners: R Income Properties, LLC (Parcels 38-77, 38-76A, 38-76C, 38-76E, 38-76F, 38-76G and 38-76J); Kasey Trucking, Inc. (Parcel 38-76H); Sun Land, LLC (Parcel 38-76); (collectively all of the foregoing the “Owner”)

Property: Tax Map Parcels 38-77 (portion of), 38-76, 38-76A (portion of), 38-76C, 38-76 E, 38-76F, 38-76G, 38-76H and 38-76J.

Project Name: Project Mover

Rezoning Request: From A-1 to B-2 to include Tax Map Parcels 38-76A, 38-76C, 38-76E, 38-76F, 38-76G, 38-76H, 38-76J and 38-76, containing a total of approximately 49.569 acres, all as shown on sheet 4 of 7 of the attached generalized development plan (“GDP”) titled “Project Mover Generalized Development Plan,” prepared by Bagby, Foroughi and Goodpasture, PLLC, and dated December 16, 2020 (collectively, “Rezoning Parcels”).

CUP Request: To develop a warehouse and distribution center to include: Tax Map Parcels 38-77, 38-76A (portion thereof), 38-76C, 38-76F, 38-76G, 38-76H, 38-76J and 38-76 (portion thereof) containing approximately 50.156 acres, all as shown on sheet 5 of 7 of the GDP (the “Distribution Center Parcels”).

Related Proffer Amendment: March 16, 2010 - Ordinance O10-26

Date: December 16, 2020

File No.: RC20 _____
CUP20 _____

APPLICATION REQUEST

The Applicant hereby requests a rezoning (for the Rezoning Parcels) and conditional use permit (for the Distribution Center Parcels) (“CUP”) 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.

The Property is located near the intersections of Venture Drive and Wyche Road, within the Hartwood Election and Aquia Magisterial Districts, 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 acreage subject to the rezoning requests consists of 49.569 acres and the parcel subject to the CUP consists of approximately 50.156 acres.

The Applicant has also submitted with this application a proffer amendment request for purposes of amending the prior proffers applicable to Parcel 38-77 (portion thereof) pursuant to prior approved Ordinance O10-26, all as provided more particularly in said application. Parcel 38-77 is part of Project Mover all as more described herein and as shown on the GDP.

Further, the Applicant has submitted with this application a voluntary proffer statement applicable to Parcels 38-77, 38-76, 38-76A, 38-76C, 38-76E, 38-76F, 38-76G, 38-76H and 38-76J, all as provided more particularly in said application.

The B-2 zoning district permits warehouses, storage and distribution centers pursuant to a CUP. Thus, concurrently with the proposed rezoning request for the parcels listed above, the Applicant requests a CUP to develop the Property for a warehouse, storage and distribution center, all as generally shown on the GDP and described herein.

Also attached and marked collectively as **Exhibit B** are illustrative renderings titled “Conceptual Rendering, New Facility, Stafford County, Virginia” and “Prelim. Color Elevation, New Facility, Stafford County, Virginia,” which depict the proposed architectural design and building material features for the Project (collectively the “Renderings”). The Renderings only describe the general architectural type, character, materials, and features of the proposed Project Mover building and apply only to the Distribution Center Parcels.

OVERVIEW

DHL Supply Chain is the leading contract logistics provider in North America. It is currently searching for a site to construct a new distribution center that will distribute a wide range of convenience store products to stores in Virginia and Maryland. The facility will receive inbound product, load and ship outbound deliveries, and perform transportation scheduling. The latest solutions in material handling equipment and warehouse management will be implemented to optimize processes. These solutions will include goods-to-person robotics with autonomous mobile robots, a pick tower that is a multi-tiered storage system, and a warehouse inventory management system. Additionally, DHL Supply Chain will invest in the development and system implementation for a demand planning and forecasting tool. This tool will enable the company to minimize the amount of inventory held at the stores while still being able to meet customer demand.

As further noted above, Parcels 38-76, 38-76A (portion of), 38-76C, 38-76E, 38-76F, 38-76G , 38-76H and 38-76J of the Property are currently zoned A-1, and Parcel 38-77 is zoned B-2. The Applicant proposes changing the zoning district (along with a CUP) of the A-1 parcels to B-2 to allow for a warehouse, storage and distribution center. Section 28-34 of the County’s Zoning Ordinance states that the purpose of the B-2 district “is to designate appropriate areas for high-

intensity commercial uses intended to serve retail sales and service, business, and professional service needs at a regional or countywide scale. These areas should be located at strategic nodes along arterial and major collector roads where there are adequate utilities and facilities to serve intense development.”

Pursuant to Article III, Section 28-35 of the Zoning Ordinance, a CUP is required in the B-2 district if the Applicant wishes to develop a warehouse, storage, and distribution center.

The proposed Project includes a 533,624 square foot warehouse (high cubed transload and short term storage) along with accessory uses located within a one-story building less than sixty-five feet (65 ft.) in height on approximately 50.156 acres. The proposed FAR is 24.4% and approximately 40.2% of the Property will be preserved as open space, as shown on the GDP.

As noted above, the Property is generally located east of I-95, and just west of the intersection of Wyche Road and Venture Drive. The Property is bordered on the west by I-95. To the north is vacant residential land zoned R-1 and an improved home site. To the east is Wyche Road, a warehouse zoned B-3, residential property on commercially valued land zoned A-1, a church, the Virginia Department of Highways offices, Rappahannock Regional Jail, and the Department of Corrections. To the south is vacant land zoned A-1 and B-3.

As described in more detail below, the Applicant’s proposal conforms to the policies established by the County’s Comprehensive Plan (the “Comp Plan”), and the Property has been designated as a Targeted Residential Growth Area (“TGA”) within the County’s Urban Services Area (“USA”) for future land use. In addition, the Project will have minimal impacts on County services, and will generate new jobs and additional commercial tax revenues at full build-out as further detailed under the impact analysis of this narrative.

COMPREHENSIVE PLAN ANALYSIS

1. The Property’s Classification Supports Project Approval

The Comp Plan identifies the Property as being within the County’s USA, and further classifies it as part of a TGA, an Economic Development Priority Focus Area (“PFA”), and the Redevelopment Area (“RDA”) within the Courthouse Road Planning Area (“Planning Area”). Within the Planning Area, the Property is designated for commercial retail and office use.

USAs are areas designated within the County in which growth should be directed 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—both commercial and residential—is expected to occur. Planning areas can be further designated as TGAs or PFAs, which include RDAs, or all three.

TGAs emphasize where approximately 50% of the County’s future residential growth is recommended and a mix of commercial land uses are also supported in these locations. PFAs

emphasize where business development is encouraged. RDAs are areas within the USA in which the County desires to concentrate its efforts to change the existing development pattern, focusing on economic revitalization through the development of mixed used projects. RDAs are usually areas that are underutilized or underdeveloped. Courthouse Road has been designated a Planning Area that is both a TGA, RDA, and PFA. Thus, the County anticipates that this area will be a hub for dense residential and commercial development.

The Property's location within the County's USA, Planning Area, TGA, PFA, and RDA strongly support granting approval to the Project, as the County encourages commercial development of this nature within these areas.

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.

The Applicant's proposal satisfies these development goals, as detailed below.

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

The Project aligns with the County's general development goals for sustainable and positive growth by its location within both the Urban Service and Courthouse Road Planning Areas, as well as the Planning Area's designation as a TGA, PDA, and RDA. As discussed above, the County has created the USA as the area within the County in which growth should be directed. Not only does the County encourage growth within the USAs, but it has indicated that provision of government and community services and facilities will be focused in these areas, and that dense, compact mixed use developments should be located within USAs, with sufficient density and scale to support a mix of uses, walkability, and public transit, while offsetting their impacts to County services. The Project satisfy these requirements and will significantly contribute to positive growth within the County.

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

The Project wholly satisfies the County's goals for new development within USAs. Its location within the USA furthers the County's goal for locating new growth within the USA, supporting more compact development patterns within the USA, and reducing pressure on the rural parts of the County. Further, the Project's commercial nature meets the County's goal for this area to be developed as a commercial retail and office area.

Further, the Project will be serviced by the existing public sewer and water utilities, eliminating the need to develop any new infrastructure, thereby lessening its impact on the County's resources. The 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 the requisite infrastructure is already in place, the Applicant has met this requirement.

2.1.2 Project's location within Courthouse Planning Area supports development

Not only does the Project's location in the USA support approval of the rezoning request, but its location in the County's Courthouse Road Planning Area further bolsters a finding of rezoning approval. The County anticipates that a significant amount of new commercial development will occur within this Planning Area. In fact, this Planning Area is the number one area where growth in the County should be focused. For this Planning Area, the County anticipates 5,000,000 square feet of new commercial development in the near future.

In keeping with the County's intentions, the Project would bring this near-term development to fruition and the resulting new warehouse and distribution center would contribute to the County's anticipated commercial and employment growth in the Planning Area.

2.1.3 Planning Area's designations as TGA, PFA, and RDA support approval of development

The Project's designation as a TGA, PFA, and RDA also further support a finding that the development conforms to the Comp Plan's sustainable growth goals.

Within the Planning Areas of the USAs, the County has designated certain TGAs within the County where a potential concentrated urban or higher-density suburban development pattern is most appropriate. These areas are expected to support a more intense, pedestrian and transit oriented form of development, located in close proximity to primary road networks, transportation hubs, and along the rail corridor.

Further, the Comp Plan stresses that TGAs require a fiscally balanced amount of commercial and residential development. And, to mitigate any increased tax burdens on current residents, it is recommended that TGAs develop over time in a balanced and phased manner, with adequate commercial development to offset the demands on community facilities and infrastructure that residential development brings.

As discussed above, the Project will entail a new warehouse and distribution center, a valuable commercial addition to the Courthouse TGA, which will contribute to the area's stock of commercial uses and mitigate the impacts of residential developments on the County's resources and infrastructure. All of the buildings in the Project will be no higher than one (1) story. The warehouse and office space will provide work place opportunities for the area's residents and the parcels will be linked and integrated by sidewalks, intra-parcel pedestrian walkways, and open spaces. Buffering and screening, as depicted on the GDP, are properly limited. Additionally, the Project will preserve any wetlands or other sensitive environmental features. Thus, the proposed development's commercial use in an area designated as the number one area for growth in the County satisfies the County's goals for promoting sustainable and positive growth within TGAs and PFAs.

Additionally, the Comp Plan sets forth policies for development occurring in the TGAs. Those policies recommend that buffering, screening, and extensive building setbacks should be limited, except when bordering the edge of a TGA. Further, buildings should be no higher than 6 stories in height. Future developments should include open common areas or public spaces for residents and/or employees to enjoy leisure time activities. Streets and buildings should be designed to encourage physical and visual interaction at the street level. Street lighting and sidewalks are essential elements to ensure vibrant communities. The Comp Plan anticipates a target density of 0.4 floor area ratio (“FAR”) for commercial developments within TGAs, although to provide flexibility and allow for variations in individual projects, a density range of 0.4 to 1.0 FAR for commercial developments will be allowed.

2.2 The Project promotes the County’s economic development

The Project’s location within the USA, Courthouse Planning Area, TGA, RDA, and PFA, as well as its commercial characteristics, promote the County’s economic goals for promoting 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. Third, the County directs that retail and other commercial nodes in mixed use areas should serve local residential communities and be accessible to transportation.

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. Second, the Project’s strategic proximity to I-95 and Courthouse Road 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, where business development is encouraged. Third, the commercial nature of development will offset the demands on community facilities and infrastructure of surrounding residential communities, and will provide economic revitalization in an area designated by County as a redevelopment area.

In regard to all of the foregoing, it is anticipated this Project will generate:

- 577 new full time jobs
- Average Annual Wages of \$46,064
- Average Annual Payroll: \$26,579,317
- Construction Jobs: 75-125 per day depending on stage of construction
- Total investment (real estate and personal property) is \$72 million
- Average Inventory value is \$73 million

CONDITIONAL USE PERMIT STANDARDS

Section 28-185(d) of the County's Zoning Ordinance requires conditional use permit applications to meet the following standards:

1. *The use shall not tend to change the character and established pattern of development in the vicinity of the proposed use* – Since the nearby properties consist of a mix of vacant and developed commercial and residential properties, and since the Property lies within the County's USA and Courthouse Planning Area, which is both a RDA and PFA—all of which are intended for significant commercial and residential development—the Applicant's proposal will not change the character and established pattern of development in the area and will provide adequate buffering to neighboring properties, as shown on the GDP. Nearby uses include government offices, a jail, a warehouse, and vacant residential and commercial properties.
2. *The use shall be in harmony with the uses permitted by right under a zoning permit in the land use district and shall not adversely affect the use of adjacent properties* – The permitted uses in the B-2 district generally relate to relatively high density commercial development. The proposed use is as a 533,624 square foot warehouse and distribution center with accessory uses, operating 24 hours a day, seven days a week. The proposal includes access locations from Wyche Road and Bradburn Place (private road) to Hospital Boulevard, which then has direct access to the I-95 interchange. Multiple surrounding developments consist of comparable density, and because the surrounding undeveloped property lies within the USA and Courthouse Planning Areas, it is reasonable that many of those properties also will be developed for commercial uses, which will have a positive impact on adjacent properties. Adjacent properties are currently used as government offices, a jail, a warehouse, and vacant residential and commercial properties.
3. *The location and height of buildings, the location, nature and height of walls and fences and the nature and extent of landscaping on the site shall be such that the use will not hinder or discourage the appropriate development and use of adjacent land and buildings or impair the value thereof* – The Applicant's proposal will not hinder or discourage the appropriate development of adjacent land. As depicted on the GDP, the Applicant will provide appropriate buffering, screening, and open space around the Property's perimeter to ensure impacts on adjacent properties are minimized and the building height will be less than authorized under B-2 zoning district.
4. *The use shall not adversely affect the health or safety of persons residing or working in the vicinity of the proposed use* – Since the proposed development is compatible with surrounding development as described above, the proposed Project will not adversely affect the health or safety of persons residing or working in the vicinity of the proposed use.
5. *The use shall not be detrimental to the public welfare or injurious to property or improvements in the neighborhood* – Since the proposed development is compatible with surrounding development as described above, the proposed Project will not be

detrimental to the public welfare or injurious to property or improvements in the neighborhood.

6. *The use shall be in accord with the purposes and intent of this chapter and the comprehensive plan of the county* – As discussed above, and in the Comprehensive Analysis section of this narrative, the proposed use accords with both the purpose of conditional use permits, as described in County Code section 28-185, and with the County’s Comprehensive Plan.

IMPACT ANALYSIS

1. **Current capacity of and anticipated demands on highways, utilities, storm drainage, schools and recreational facilities.**

- A. **Roads.** The proposed development would generate 45 new trips during the morning peak hour, 56 new trips during the afternoon peak hour, 64 new trips during the Saturday midday peak hour, and approximately 838 new weekday daily trips. The daily trip generation of the proposed development is less than the 1,000 daily trips, and therefore, a traffic study would not be required per County guidelines.

Access to the project will be from Wyche Road and Bradburn Place.

By-Right Impacts: The Property is currently zoned A-1 and B-2. Under the current zoning, the by-right uses would generate 130 daily trips.

- B. **Utilities.** As noted above, the proposed rezoning is located within the County’s USA and has access to public water and sewer. Existing 10" water and 8" sewer mains are available along Bradburn Place. The Applicant will extend utility lines to serve the development.

Public Water: This Project is located in the Central Pressure Zone. There is an existing 10" water line along Bradburn Place. The anticipated daily demand for water is 95,000 gpd.

Sewer: This Project is located in the Accokeek Sewer Shed sewer service area. An existing 8" sewer line is located along Bradburn Place. The anticipated daily demand for sewer is 95,000 gpd.

By-Right Impact: If developed by right, the Applicant would likely have to connect to the existing public water and sewer lines along Bradburn Place.

- C. **Storm Drainage.** Upon build-out, approximately 60% of the total Property will consist of impervious surface. Runoff from the Project will be collected in a storm sewer system to be designed prior to site plan stage. Stormwater management will comply with County and State requirements.

By-Right Impact: Both the by-right and proposed developments would result in the same post-developed flow requirements and would have minimal impacts downstream.

D. Schools. The proposed rezoning will not impact schools.

By-Right Impact: A by-right development on the A-1 parcels would result in approximately 13 dwelling units or approximately 13 school aged students.

E. Recreational Facilities. The proposed rezoning will have no impacts on park and recreational facilities.

By-Right Impact: A by-right development would generate approximately 13 dwelling units. The by-right development would require less than one acre of parks.

2. **Fire & Rescue.** It is anticipated that the proposed Project will be served by Station #2, which is located approximately 0.70 miles northeast of the Project. The Project will have minimal impact to current County capacity levels for fire and rescue.

3. **Fiscal Impact.** The Project will generate:

- 527 new full time jobs
- Average Annual Wages of \$46,064
- Average Annual Payroll: \$26,579,317
- Construction Jobs: 75-125 per day depending on stage of construction
- Total investment (real estate and personal property) is \$72 million
- Average Inventory value is \$73 million

4. **Environmental Impact.** A wetland delineation was conducted on the Property by Bill Ellen with Envirodata. Approximately 2.32 acres of wetlands were identified on the Property.

By-Right Impact: Any development utilizing the same developable area will have the same impacts to environmentally sensitive features.

5. **Impact on Adjacent Properties.** Generally, nearby properties are a mix of government, residential, and commercial uses, as well as vacant land. The proposed development is compatible with and a good transition between development on surrounding properties, and 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.** According to the Virginia Department of Historic Resources, no known archaeological sites or architectural resources are located on the Property. However, please note there is a small private family cemetery located on tax map

parcel 38-76J, which is in the process of being relocated to a portion of tax map parcel 38-76E in conjunction with the family and as applicable under Virginia law. Accordingly, there will be no adverse impacts to historic resources are anticipated from the development of the Property.

7. **Exhibits:** The following exhibits are enclosed with and are a material part of this application:

(a) Exhibit A: Generalized Development Plan entitled “Project Mover Generalized Development” dated December 16, 2020, and prepared by Bagby, Foroughi and Goodpasture, PLLC;

(b) Exhibit B: Renderings titled “Conceptual Rendering, New Facility, Stafford County, Virginia” and “Prelim. Color Elevation, New Facility, Stafford County, Virginia”.

EXHIBIT A

Generalized Development Plan

EXHIBIT B

Renderings

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