Missing Middle Working Group Utilities Meeting – Public Synopsis from the August 20, 2026

The Missing Middle Working Group reconvened on August 20th for a focused discussion on utility-related challenges that shape small-scale housing development in Charlottesville. While development codes now allow more housing density, members emphasized that utility constraints—especially sewer, water, and fire access—play a decisive role in determining whether projects are feasible. Staff reiterated that the audience for this effort is City Council, and that firsthand experiences from engineers, builders, and designers are essential for understanding why theoretically buildable sites often fail in practice. Cost matters, but the group's intent is to dig deeper: why do these conditions create barriers, and how do they influence what ultimately gets built?

Understanding Utility Realities

Much of the discussion centered on how utility regulations interact with land ownership patterns. Developers described the difficulty of fitting individual sewer laterals, water service lines, and required separation distances onto narrow or irregular lots. Even when separation is technically achievable, meeting spacing requirements at the right-of-way often forces buildings to shrink or eliminates units entirely. Many members noted that gravity-fed sewer systems are a central limiting factor—projects can fail simply because the site cannot be reached with compliant gravity lines. Pump stations are rarely viable due to long-term maintenance liabilities and cost burdens placed on rate payers. Several participants shared examples of projects that collapsed under these constraints, even when the zoning allowed significantly more units on paper.

Ownership also shapes what is possible. Fee-simple lots require individual service lines, but many sites cannot physically accommodate them. Shared private mains can be an option, particularly when a property remains under single ownership, yet shared maintenance responsibilities often become contentious over time. Private agreements frequently break down, leading to calls to the City for disputes it cannot enforce. These issues underscore a tension between regulatory intent and lived reality: while separation rules exist to protect public health and maintain infrastructure, they often make small-scale infill significantly harder to execute.

The Gap Between Policy and Practice

Participants stressed that the current zoning code—written to allow maximum unit counts—was not "stress tested" against real Charlottesville lots. As a result, many parcels cannot reach their theoretical density once utilities, tree preservation requirements, and fire access zones are mapped out. In some cases, developers can meet tree canopy

standards, parking needs, and building footprints, but fail solely because required utility spacing consumes all available frontage. Members reiterated that this disconnect is not about developer preference but about physical and regulatory limits embedded in state-approved standards. Any change to separation requirements or main extension rules must go through the state approval process, creating long lead times for reform.

The group also raised concerns about how these constraints affect bonus density for affordable units. If a property cannot reach the base density, the affordability bonus becomes meaningless. Some members suggested exploring incentives—such as reduced fees or utility hookup cost adjustments—to support projects that include affordable housing or small apartment buildings that naturally consolidate service lines.

Developer Experience: Time, Clarity, and Feasibility

Developers described the early stages of project planning as critical: uncertainty about utility feasibility can halt projects before formal submission. The "due diligence window" is often where missing middle projects disappear. Members encouraged the City to help provide more clarity upfront—through documented guidance, a menu of example solutions, clearer summaries of what is allowed, and more predictable review pathways. Utilities staff reiterated that they frequently work with developers and are willing to meet early but emphasized that accurate surveys and detailed information are essential for meaningful feedback.

Despite frustrations, the group agreed that small-scale projects remain solvable if foundational issues—ownership patterns, separation requirements, and gravity constraints—are acknowledged openly. Several participants noted that other states allow municipalities to finance utility main extensions and recover the cost through tax bills over time. Such models could potentially relieve upfront burdens and help unlock more missing middle housing, though they would require significant policy decisions by City Council.

Shared Themes from the Discussion

- **Utility spacing and gravity-fed systems are the largest practical barriers** to achieving missing-middle densities.
- **Ownership determines what types of utility configurations are allowed**, and fee-simple subdivisions often create insurmountable spacing challenges.
- **State regulatory frameworks limit local flexibility**, including rules governing separation, contamination risk, and approval of private or shared mains.
- **Early clarity and documented options could reduce delays** and help developers understand what is feasible before investing heavily.

What Comes Next

The meeting concluded with agreement that the group should conduct a site visit to examine real parcels where utility constraints and development ambitions collide. Members emphasized the importance of illustrating both the engineering perspective and the development perspective so Council can clearly see where technical limits prevent policy goals from being realized. As with previous meetings, staff will continue organizing examples, collecting technical input, and developing materials that show where current regulations support missing middle housing—and where they inadvertently prevent it.