

Table 1

Development Type	Current Procedures	Policies approved by City Council 12/12/20
<p>Residential development (excluding age-restricted multifamily projects operating as independent living communities) and mixed-use development, involving residential development, permitted through an increase in density beyond that recommended in an SAP approved as of the effective date of this Policy</p>	<p>Commercial: Commercial contribution</p> <p>Residential: Negotiated (typically Tier 2 residential contribution or affordable units)</p>	<p><u>COMMERCIAL:</u> Required commercial contribution consistent with current procedures</p> <p><u>RESIDENTIAL</u></p> <p><i>RENTAL</i></p> <p>Residential: Required on-site contribution (or a land, off-site units, or monetary contribution of equivalent value)</p> <p>Core Markets*: 10% of increase in residential development affordable at 60% AMI (adjusted for utilities), or lower AMI of equivalent value</p> <p>Emerging Markets**: 8% of increase in residential development affordable at 60% AMI (adjusted for utilities), or lower AMI of equivalent value</p> <p>Alternative contributions involving land dedication or the provision of affordable units off-site or a monetary contribution will be subject to an equivalency analysis, as well as a third-party review, as needed.</p> <p><i>FOR-SALE</i></p> <p>Residential: Required on-site contribution (or a land, off-site units, or monetary contribution of equivalent value)</p> <p>Core Markets: 10% of increase in residential development affordable at 70-100% AMI or otherwise consistent with city policy in effect at the time of the application's submission</p> <p>Emerging Markets: 8% of increase in residential development affordable at 70-100% AMI or otherwise consistent with city policy in effect at the time of the application's submission</p> <p>Alternative contributions involving land dedication or the provision of affordable units off-site or a monetary contribution will be subject to an equivalency analysis, as well as a third-party review, as needed.</p> <p><u>MIXED-USE</u></p> <p>If a project involves a rental and for-sale component, it will be subject, on a prorated based, to the rental and for-sale housing requirements or a contribution of equivalent value.</p> <p><u>REQUESTS FOR EXCEPTIONS</u> An applicant may request an exception to modify the required mandatory contribution rates described above. In no case, shall the provision of affordable housing be modified to be lower than 5% of the increase in residential development. An exception seeking a reduction may be considered on a case-by-case basis for:</p>

		<ul style="list-style-type: none"> ▪ For-sale projects. Factors to be considered may include the size and type of the project (condominiums and single-family detached and attached residential development) and the level of the additional density requested; ▪ Redevelopment projects that have current income-generating uses. Factors to be considered may include the size, nature, estimated revenue and operations of the business(es); the proposed use(s); and the level of additional density requested; and ▪ Projects in which the developer can demonstrate, through a third-party review, that financial or market conditions have changed since the effective date of this policy in an unforeseen, unique or unknowable manner, external to the developer’s control, and which would negatively impact the economics of the development and make it infeasible, if the mandatory affordable housing contribution were required to be provided in full. <p>Requests for an exception modifying the Affordable Housing Contribution requirement, along with a narrative explaining why such a request is justified, must be submitted no later than at the time of the Concept 2 submission. The City shall select an independent expert to review the request and relevant financial documents pursuant to a scope of work established by the City, however, the applicant requesting the modification shall pay for the costs of the third-party review and shall provide its proforma financials for the project (as well as other documentation deemed necessary by the consultant to support the developer’s assumptions). The findings and conclusions of the third-party review will be shared with City Council for its consideration but will not be binding on its determination.</p>
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Notes: **As of the time of the policy’s approval, Core Submarkets include North Potomac Yard, Potomac Yard/Potomac Greens, Potomac West, including Mount Vernon Avenue Business Area Plan and Oakville Triangle and Route 1 Corridor Plan Areas, and excluding the Arlandria Neighborhood Area Plan. Northeast, Old Town North. Braddock Road Metro Station, including Braddock Metro Neighborhood Plan and Braddock East Master Plan Areas, Old Town, including Waterfront Area Plan and Hunting Creek Area Plan Areas. Southwest Quadrant, including South Patrick Street Housing Affordability Strategy Plan Area, Eisenhower East and King Street Metro/Eisenhower Avenue.*

*** As of the time of the policy’s approval, Emerging Submarkets include Arlandria Neighborhood Area Plan, Taylor Run/Duke Street, Northridge/Rosemont, Fairlington/Bradlee, Seminary Hill/Strawberry Hill, Alexandria West, Beaugard, Landmark Van Dorn, including Landmark/Van Dorn Corridor Plan, and Eisenhower West.*

To ensure changes or activities catalyzing the submarkets are tracked appropriately, staff will assess the status the submarkets yearly and update their characterizations as Core or Emerging in the Affordable Housing Procedures when that document is published annually in the Spring.