



Legislation Text

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City of Alexandria, Virginia

MEMORANDUM

DATE: SEPTEMBER 16, 2020

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: MARK B. JINKS, CITY MANAGER /s/

DOCKET TITLE:

Update Regarding the Housing Contributions Policy Review.

ISSUE: Update regarding the housing contributions policy review.

RECOMMENDATION: That City Council receive this Housing Contributions Policy update and the proposed schedules for further stakeholder engagement, as well as the timeline for final recommendations to be proposed for City Council consideration.

BACKGROUND: Staff from the Office of Housing (Housing) and the Department of Planning and Zoning (P&Z) have been collaborating to progress several Housing Affordability Initiatives pursuant to the FY 2020 and FY 2021 Workplans approved by City Council. The initiatives will potentially add new tools to incentivize affordable housing production and ensure that development yields an appropriate share of housing affordability in support of Alexandria's targets for committed affordable and workforce housing as established by the Housing Master Plan and City Council Resolution 2926, which endorsed a regional housing goal to meet the need for additional housing for the workforce generated by anticipated economic development.

In Spring 2019, Housing contributions Work Group (HCWG) comprised of the Alexandria Housing Affordability Advisory Committee (AHAAC), developers and land use counsel, and other interested parties was formed to review the City's Housing Contributions policy to consider revisions that would provide greater clarity, consistency, and certainty for all parties involved in the development process and create a baseline against which an assessment of inclusionary zoning could be evaluated in terms of producing more affordable housing than would be yielded through existing (or proposed) City housing policy and investment.

A set of draft recommendations was released in the Summer of 2019, however the HCWG was not able to achieve consensus on the proposed policy revisions.

DISCUSSION: While other projects and preparation for the Housing Summit, and then the pandemic, limited opportunities for stakeholder engagement, important internal work has proceeded to further inform the Housing Contributions Policy review. A third-party financial analysis of various development models in different City submarkets was completed to test recommendations of the 2019 draft Housing Contributions Policy. Findings regarding both initiatives were presented to AHAAC and the HCWG in late August, and to the Planning Commission at its September meeting. The Housing Contributions Work Group will have further opportunities for stakeholder review and discussion, with final policy recommendations anticipated to be presented for City Council's consideration and adoption in December.

FISCAL IMPACT: If these policies were adopted the fiscal impact on housing contributions made by developers would be positive, although some potential policy recommendations could result in future tradeoffs between the provision of affordable housing and other community benefits.

ATTACHMENT: Presentation - Housing Contributions Policy Update

STAFF:

Emily A. Baker, Deputy City Manager
Joanna Anderson, City Attorney
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