



Legislation Text

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City of Alexandria, Virginia

MEMORANDUM

DATE: SEPTEMBER 30, 2020

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

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

DOCKET TITLE:

Oral Update Regarding the Accessory Dwelling Unit Policy Study.

ISSUE: Update regarding the ongoing Accessory Dwelling Unit (ADU) Policy Study, one of the Housing Affordability/Zoning for Housing Initiatives undertaken pursuant to the FY 2020 and FY 2021 Interdepartmental Workplans.

RECOMMENDATION: That City Council receive this update and the proposed schedule for further stakeholder engagement, as well as the timeline for bringing final recommendations back to City Council for consideration.

BACKGROUND: Staff from the Office of Housing (Housing) and the Department of Planning and Zoning (PZ) have been collaborating to progress several Housing Affordability/Zoning for Housing Initiatives pursuant to the FY 2020 and FY 2021 Workplans approved by City Council. The initiatives potentially add to Alexandria's non-financial tools to increase overall housing production and expand housing affordability options.

Accessory dwelling units (ADUs) are complete living units (bedroom, bathroom and a kitchen) added, internally or externally, including separately, to primary residences. ADUs were among the tools proposed in the City's 2013 Housing Master Plan for future study and potential implementation: in the last decade, many of Alexandria's neighboring jurisdictions have adopted policies to promote ADUs with varying outcomes in terms of resulting unit production. The City has specifically enabled ADUs in some Small Area Plans, including Potomac Yard, Beauregard and Eisenhower West.

Following their selection through a competitive solicitation in Fall 2019, the City has been working with the Urban Institute (UI), a well-respected national policy and research group to study regulations, models and best practices and draft an ADU policy appropriate for Alexandria. When planned community engagement was

interrupted by COVID-19 in March, staff and UI proceeded with informational videos posted online, along with other resources for the community to learn about ADUs, while also providing opportunity for feedback. The ADU presentations and resource library have reached hundreds of members of the community, who have responded with questions and comments. Outreach will continue virtually this fall with online community and stakeholder meetings, and staff anticipate releasing a draft policy next month. Final recommendations are planned for Council's consideration in December.

DISCUSSION: In many communities, ADUs are viewed as a low impact approach to increase housing and housing affordability in established neighborhoods. While not necessarily providing a source of committed affordable units (without incentives like tax discounts or exemptions), ADUs encourage affordability by providing an increased supply and a housing type that is more affordable by its nature, as well as by providing a source of revenue that can help primary residence owners better afford their own homes.

ADUs may also provide housing for caretakers and family members, including those who need care. The Commission on Aging has identified ADUs as an important tool in helping seniors remain affordably in their homes, and Virginia allows accessory, temporary medical units for elderly family members who are ill. Staff has also received comments from families with members with disabilities who favor having more options for those ready for more independent living structures.

In some communities, ADU policy has memorialized housing arrangements that were already occurring informally. The impacts of implementing ADU policies has varied for many reasons and, in some cases, reflects other barriers including the complexity of the local approval process, limited financing mechanisms for secondary residences, and/or new insurance, Code or tax regulations. The conversation has changed somewhat as short-term rentals have become normalized. Among the issues which will continue to be reviewed through the community outreach this Fall are off-street parking, environmental impacts and short-term rental considerations.

FISCAL IMPACT: No immediate fiscal impact to the City, although use of ADUs as short-term rentals would be subject to established taxation policies. City financial support may be necessary to construct the units or to offer real property tax exemptions in order for committed affordable units to be generated through ADUs.

ATTACHMENT: Presentation - ADUs Policy Update

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