



Legislation Text

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City of Alexandria, Virginia

MEMORANDUM

DATE: DECEMBER 2, 2020

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

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

DOCKET TITLE:

Consideration of an Update to the City's Affordable Housing Contributions Policy and Procedures

ISSUE: Update to the Affordable Housing Contribution Policy and Procedures.

RECOMMENDATION: That City Council receive and discuss the proposed Update to the City's Affordable Housing Contributions Policy (Attached) and schedule this Update for public hearing consideration and adoption on December 12, 2020. In the updated document key policy recommendations include:

- (1) Requiring applications pursuing residential density above levels envisioned in an underlying small area plan (SAP) to provide 10% of the additional density as affordable housing in core markets and 8% in emerging markets;
- (2) Requiring 2% of the total units (minimum of one unit) be affordable for continuum of care (COC) projects, other than rezonings, which pursue density above levels envisioned in an underlying SAP;
- (3) Requiring COCs seeking rezonings to provide 3% of the total units (minimum of one unit) yielded through density above levels envisioned in an underlying SAP as affordable, with 2% (minimum of one unit) provided on the base unit number;
- (4) Requiring age restricted/independent living multifamily projects pursuing density beyond the level envisioned in an SAP, other than through a rezoning, to provide a monetary contribution (or convert the contribution to onsite units) based on the existing City contribution policy and procedures;
- (5) Requiring age-restricted/independent living multifamily projects pursuing density beyond the

level envisioned in the SAP, through a rezoning, to provide 3% of the total units yielded through that density (minimum one unit) as affordable through a 60% discount on housing and services; and

- (6) Requiring commercial to residential conversion projects to contribute \$1.53/sf (one-half of the 2020 Residential Tier One rate), or units of equivalent value, with credit for prior housing contributions, if applicable.

BACKGROUND: The attached report summarizes the 2019/2020 Housing Contribution Workgroup (HCWG) process undertaken to provide greater clarity, consistency, and certainty with respect to the City's affordable housing contribution policies and procedures, as well as to ensure that the City's housing contribution policies and procedures effectively address the added value generated through current and emerging land use trends. Specifically, the process looked at applications involving the addition of density above the density envisioned in an underlying small area plan; commercial to residential building conversions; and senior housing projects involving independent living, assisted living, and memory care. Projects involving assisted living and memory care are considered Continuum of Care facilities.

The Planning Commission was presented this update to the City's Affordable Housing Contribution Policies and Procedures document on December 1 and endorsed the recommendations contained in the update (7-0) The Alexandria Housing Affordability Advisory Committee also unanimously endorsed these recommendations.

DISCUSSION: The HCWG served as a continuation of the City's tradition of consulting with the development community and housing stakeholders to review housing practices and development trends and identify opportunities to increase housing affordability through the development process.

If the recommendations proposed in the Update are approved, staff has identified implementation tasks and next steps, including incorporating the recommendations in the Affordable Housing Procedures. The analysis completed as part of this work will serve as a baseline against which the City's FY2020 to 2021 assessment of inclusionary zoning can be evaluated.

As a separate matter, the City's draft 2021 legislative package to the General Assembly proposes supporting legislation with affordable dwelling unit ordinances to require mandatory contributions from developers for affordable housing, rather than those contributions being voluntary and variable.

FISCAL IMPACT: The recommendations further standardize housing contribution policies and procedures and address the added value generated by several current and emerging land use trends. They propose heightened contribution expectations in the form of on-site affordable housing and monetary contributions. The risk of loss of voluntary monetary contributions would be eliminated if the City is successful in securing legislative authority to potentially make its housing contribution policy mandatory.

ATTACHMENT:

Update to the Affordable Housing Contribution Policies and Procedures

STAFF:

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