

# Affordable Housing Zoning Update

DSCM/Zoning Ordinance Advisory Committee

July 27, 2023

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# Consultant Team IntroductionsNelson\Nygaard

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- Comprehensive Plan & Housing Overview
- Scope of Housing Code Study
- Upcoming Engagement
- Potential Paths Forward With State Code

# **Comprehensive Plan & Housing Overview**

### Housing Chapter Guiding Principles

- Quality, price-appropriate housing
- Attainability
- Housing that is directly tied to public policy priorities





# **Housing Chapter Policies**

- Preserve and enhance existing neighborhood communities
- Establish new diverse mixed income housing communities
- Develop implementation tools for both residents and the development community
- Enhance mobility strategies that address the intrinsic relationship between housing and mobility



### Housing Chapter Policies -Continued



- Promote sustainable neighborhoods that support County-wide environmental goals
- Ensure that developments result in equitable healthy communities
- Identify regulatory changes needed to support the implementation of these housing policies



# **Affordable Housing Tools**



- Develop implementation tools for both residents and the development community
- Ensure the construction and financing of affordable and workforce housing to meet the projected demands of 33% affordable and 42% workforce housing as shown in the table below:

	Housing Units in 1000s			
	2025	2030	2035	2040
Affordable Dwelling Units (80% AMI or less)	58.6	63.4	66.5	69.0
Workforce Dwelling Units (81% to 120% AMI)	74.6	80.7	84.6	87.8



- Affordable Share 10% affordable and/or workforce housing with up to 20% desirable if developers leverage other financial tools (LIHTC etc.)
- Income Level 50% of the proffered units available at or below 80% of AMI and 50% of the proffered units available up to 120% AMI

### Incentives from: Affordable Housing Supplement



- Reduce or eliminate in lieu of voluntary monetary contributions for mitigation of offsite development impacts for affordable units
- Density increases proportionate to twice the amount of affordable/workforce units provided
- Flexibility in the types of units allowed in the zoning district
- Modifications of development standards such as height, setback, and/or lot coverage
- Modifications of Design and Construction Standards Manual ("DCSM")



- Applicability to every residential and mixed use project (particularly in activity centers near transit and if displacing existing naturally occurring affordable housing)
- Affordability Term Determined on a per project basis
- Alternatives Reduce or eliminate in lieu of voluntary monetary contributions for mitigation of offsite development impacts for affordable units

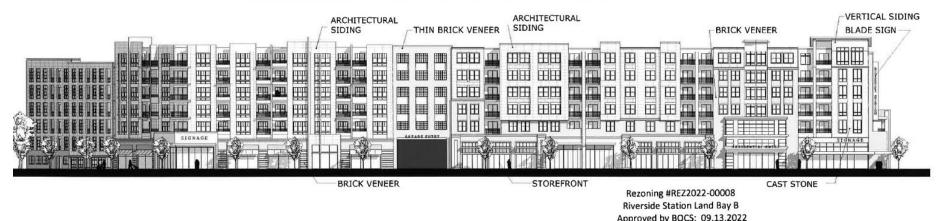
### Riverside Station – Land Bays A and B



- Land Bay A #REZ2022-00007 A maximum of 330 dwelling units
- Land Bay B #REZ2022-00008 A maximum of 640 dwelling units
- Proffer Statement subjects both land bays to an Affordable Dwelling Units set-aside yielding approximately 78 Affordable Dwelling Units together
- Approximately 50 units per acre bottom of T-6

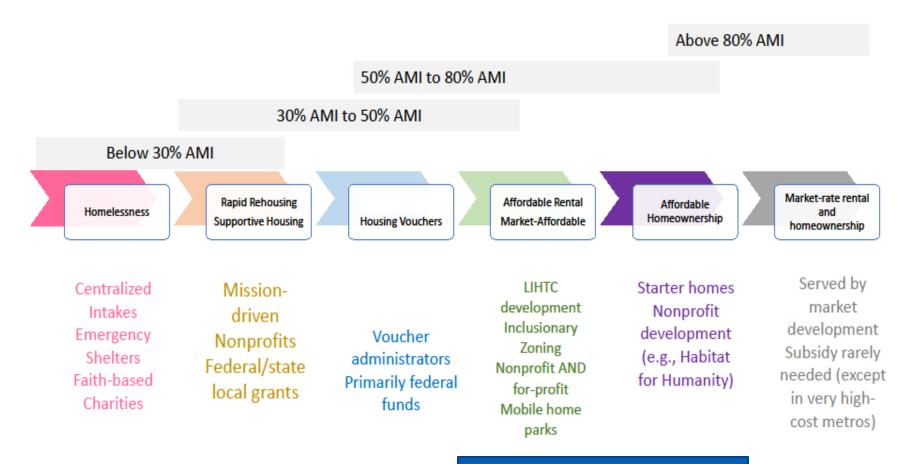
<u>Affordable Dwelling Units (ADU)</u>. A total of eight percent (8%) of the multifamily dwelling units shall be available for rent as follows:

Portion of tota of 8% ADU	l Household Earnings as Percentage of Area Median Income
2%	60%
2%	70%
2%	80%
2%	100%



# **Affordable Housing Tools**





Affordable Dwelling Unit Ordinance

# **Housing Code Study Actions**



#### Phase I

- Now through end of 2023
- Affordable Dwelling Unit ordinance (Phase I)
- Phase II
  - Starting early 2024, pending Board initiation
  - Incentive Zoning
  - Accessory Dwelling Units
  - Monitoring supply and compliance
  - Additional PMR Housing Types
  - Review ordinance for additional barriers to affordable housing

#### Phase I



Affordable Dwelling Unit Ordinance:

- Background Work Underway for a Few Weeks
- Today's Presentation to DORAC July 27
- Stakeholder Meeting July 28
- Draft Ordinance September
- Public Meetings September
- DORAC Review of Draft Ordinance September
- Planning Commission Work Session 09/27
- Planning Commission Hearing 11/08
- BOCS Hearing Goal is end of calendar year

### **Engagement Process**



# **Phase I Engagement Approach**

- 1. Stakeholder Meeting (July 28, 2023)
  - **Purpose:** Receive feedback on affordable housing needs and challenges; approach to ordinance development to inform diagnostic of existing ordinances.
  - **Format**: Virtual meeting with presentation and breakout discussion groups
  - <u>**Participants</u>**: Invited housing and other stakeholders (*Housing Board members, NGOs/faith-based* organizations, development community, housing locators, Supervisors' aides, County staff)</u>



# **Phase I Engagement Approach**

### 2. Public Meetings (September 2023)

- **Purpose:** Present and receive feedback from general public on draft ordinance outlines to inform final draft ordinances
- **Format**: Two (2) in-person meetings with presentation and feedback opportunities (one meeting each for east and west sides of county)
- Additional feedback: Online period after meetings
- **<u>Participants</u>**: General public

# **July 28 Stakeholder Meeting**



#### **Preliminary Agenda**

July 28, 2:00 PM – 3:30 PM (Virtual)

- 2:00 2:10 Welcome and Introductions
- 2:10 2:30 Presentation
- 2:30 2:40 Q&A

#### 2:40 – 3:15 Facilitated Breakout Group Discussion

#### **Discussion Questions**

- What do you see as the most pressing needs for addressing affordable housing in the county?
- What do you see as the biggest challenges affecting the ability to meet housing affordability needs?
- Are there specific changes to the County's existing regulatory tools that you would like to see?
- Do you have any other comments or concerns you would like to share?

#### 3:15 - 3:30 Wrap-Up, Next Steps, and Additional Q&A

# **State Enabling Legislation**



### **Summary of Comp Plan Research**

- Several jurisdictions pursued recently
  - Charlottesville, Albemarle Co., Fairfax City all 2304
  - James City Co. 2305
  - Not clear if any under 2305.1 (passed GA in 2020)
- Prince William County considering a voluntary process such as a rezoning, or a special use permit, or through a voluntary density bonus applied "by right" within a zoning district at time of subdivision or site plan.
- Updating research now

# **State Enabling Legislation**



	State Code §15.2-2304	State Code §15.2-2305	State Code §15.2-2305.1
Covered localities	Counties of Albemarle, Arlington, Fairfax, and Loudoun; Cities of Alexandria, Fairfax, and Charlottesville	Authorizes affordable dwelling unit ordinances in <u>all</u> Virginia localities	All localities not covered under §15.2 2304
Set aside	Local discretion	Set-aside capped at 17%; density bonus capped at 30%; any reductions must maintain that ratio	10 percent of units affordable (as defined by locality) for low-income households <sup>4</sup> or 5 percent of units affordable (as defined by locality) for very low- income households <sup>5</sup>
Affordability level	Local discretion	Local discretion as long as owner does not suffer economic loss	80% of AMI (low income) or 50% of AMI (very low income) if density bonuses are used
Incentive	Local discretion	Local discretion <u>as long as</u> any density bonus complies with set aside ratio	Local discretion, but density bonuses must be calculated according to formula set in statute
Compliance options	Local discretion	May establish local housing fund	May establish local housing fund
Included developments	Local discretion	Local discretion	Local discretion
Affordability term	Local discretion	Between 15 and 50 years	Between 15 and 50 years
Program enforcement	Local discretion, including mandatory for any new development	May only apply when developer seeks rezoning or special exception or may apply to a site plan or subdivision plat	Voluntary