## ZONING FOR HOUSING/HOUSING FOR ALL MISSTATEMENTS AND CLARIFICATIONS

Clarifications to statements made during public testimony at the November 14, 2023, City Council Public Hearing

**1. Misstatement:** There is no affordability associated with the initiatives under Zoning for Housing/Housing for All.

**Clarification:** There are three initiatives with affordable housing measures as documented in the Fact Sheets of the initiatives under the "Proposed Zoning for Housing Initiatives section" on the Zoning for Housing/Housing for All webpage.

- (1) Coordinated Development Districts (CDD) and Affordable Housing Initiative Fact Sheet states in its recommendation before the City Council the following: "Recommendation: Establish a City Council policy, possibly memorialized in the Housing Master Plan, affirming that the City should continue its practice of including condition language in future new and amended CDD requests that would require 1/3 of bonus density (above what is recommended in an SAP) to be committed affordable units."
- (2) Office to Residential Conversion Initiative Fact Sheet states in its recommendation before the City Council the following: "Establish a City Council policy, possibly memorialized in the Housing Master Plan, affirming that conversions should first use Section 7-700 to increase the residential density on the site, in exchange for affordable housing."
- (3) Residential Multi-family Zone Analysis Fact Sheet states in its recommendation before the City Council the following: "Amend the Housing Master Plan to state that it is envisioned that the RMF zone can be located in areas planned and/or zoned for medium or higher density development, as well as other specific locations where the proposed project is compatible with adjacent development and consistent with City policies. While this amendment will set the City policy, each project will still have to request all necessary approvals, evaluate impacts, and involve a community process."
- **2. Misstatement:** Equity is missing from the Single-family initiative under Zoning for Housing/Housing for All.
  - Clarification: A key component of equity is breaking down barriers to entry to areas of the City which have been limited to some households, particularly those of color, due to impacts of exclusionary zoning and housing practices. While housing discrimination laws and policies, such as redlining and restrictive covenants, may no longer be legal, one way to counter the resulting impacts of such policies i.e., predominantly segregated communities, is to ensure options for housing types and price points throughout areas. The single-family initiative offers duplex, triplex and fourplex typologies which will expand the housing supply and offer opportunities within more areas at a lesser cost than single-family homes in Alexandria which have an average assessed value of \$940,375.
- 3. Misstatement: The research proposed under several initiatives as Phase 2 is already done. Clarification: Of the nine remaining initiatives, three have staff recommended Phase 2 elements. See Section VIII, at the bottom of page 25 and the top of page 26, of the November 14 and November 18 City Council Staff Report which describes the potential additional work under each of the three initiatives. In each of the three cases there is a note in parenthesis that states "for future study"; and such future work will first need to be approved by the City Council as to if, and when, it will occur.

**4. Misstatement:** Infrastructure has not been studied as part of the Zoning for Housing/Housing for All process.

**Clarification:** The Zoning for Housing/Housing for All webpage includes, in a prominent location, a document titled "<u>Net New Units and How they are Supported by Infrastructure."</u> Additionally, in the <u>November 14 Staff Presentation</u>, Slide 6 reviews the multi-layer process the City utilizes to account for impacts of new development.

5. Misstatement: There has not been sufficient outreach on Zoning for Housing/Housing for All. Clarification: Zoning for Housing/Housing for All began in 2019 with the Regional Housing Initiative (RHI). Twelve initiatives were identified at the time under Zoning for Housing/Housing for All to help meet expanded targets for housing production set by the City Council on March 10, 2020 for the period 2020-2030 pursuant to the RHI. Three of the twelve initiatives were approved between 2021 and 2022, all with outreach as documented on their webpages: (1) Accessory Dwelling Units webpage and a January 23, 2021 City Council Public Hearing; (2) Co-living webpage and a January 22, 2022 City Council Public Hearing. The outreach associated with each of these initiatives and the three public hearings offered virtual options as well due to COVID-19.

Additionally, for the nine-remaining initiatives, there have been multiple opportunities for community input. Six spring meetings/events, along with the Community Questionnaire (1700 respondents) and the Comment Board (700 comments/questions). For the fall, 14 events/meetings have or will occur in total. Additionally, Zoning for Housing/Housing for All leveraged other City events over the summer such as community cook-outs and there was outreach to ACPS high school students. Meetings and events have for the most part included virtual as well as in-person options and interpretation and translation services.

Meetings and events related to Zoning for Housing/Housing for All have been widely noticed through the City's normal communication channels. Media outlets that serve the City have consistently reported on Zoning for Housing/Housing for All topics and events.

- 6. Misstatement: The Small Area Plans have 50,000 planned but not yet built housing units along with another 16,000 units that are in the pipeline for a total of 66,000 units.
  Clarification: The City documented in the <u>September 28 Presentation at William Ramsay Recreation Center on Slide 18</u> and in other materials that Small Area Plans allow for 50,000 units (above existing units) of which 15,000 are in the pipeline of approved projects.
- 7. Misstatement: Under the Accessory Dwelling Units program, adopted in early January 2021, many more applications have been approved since then than anticipated.
  Clarification: Page 26 of the Staff Report for Accessory Dwelling Units docketed for City Council consideration on January 23, 2021, estimates that fewer than 15 ADUs would be created annually in Alexandria. It further states that regardless of how many units are created annually, staff's proposed ADU policy would minimize potential land use impacts and ensure compatibility with existing neighborhoods.

There are 53 approved cases to-date which is within the estimated range identified by staff three years ago. Moreover, it is important to recognize that although the number approved in 2021-2023 has been slightly above 15 annually, that was due primarily to pent up demand. The number is leveling off now with the last application received in September 2023.

**8. Misstatement**: There will be tree canopy impacts caused by the single-family initiative proposal and more tear downs.

**Clarification:** The single-family initiative does not propose to change height, setback, and bulk specifications in single-family zones so the permitted footprint of a new building will be the same as what is permitted today. Additionally, Zoning for Housing will not increase the number of tear downs because they have been shown not to be a financial windfall for developers. All existing tree canopy protections will remain unchanged.

**9. Misstatement:** There will be an elimination of setbacks.

**Clarification:** There is a proposed elimination of the zone transition set-back, under the Historic Preservation Patterns Initiative proposal, with all other setbacks remaining. The zone transition setback is a special additional setback now required when a non-residential building is proposed near a residential building. There are limited setback modifications in the Townhouse proposals.

**10. Misstatement:** Exclusionary zoning no longer exists.

Clarification: While discriminatory housing laws and restrictive covenants are unlawful, there are vestiges of land use practices and policies that remain in Zoning Ordinances across the country that have created barriers to housing in areas of choice for some households, particularly those households of color. The history of housing discrimination in the country is outlined in a body of work that spans decades and it is important that the impacts of such discrimination be fully understood so that those impacts can continue to be addressed in an effective manner, leading to expanded opportunities for quality and affordable housing, of choice, by all. Members of the Alexandria community are invited to review the City's story about such practices and impacts on the Housing for All webpage. This is important as we, as a community, continue to work together, through initiatives such as Zoning for Housing, to address such impacts.

**11. Misstatement:** Phase 2 will take place in 2024. **Clarification:** The City Council will decide if, and when, any proposed Phase 2 elements will occur.

**12. Misstatement:** The value of housing will decline with affordable housing nearby. **Clarification:** A study for Alexandria by the Urban Institute shows values will likely go up. (Bloomberg, March 2022)

- **13. Misstatement:** The value of single family lots will go up if the number of permitted units increases. **Clarification:** The consultant study for Zoning for Housing showed that building 2, 3 or 4-unit buildings on a single-family lot does not create significant additional profit potential for builders.
- **14. Misstatement:** The units per acre provision will be removed everywhere. **Clarification:** It is the Historic Development Patterns initiative that is proposing to remove the units per acre provision for multi-unit dwellings in multi-family zones. This would allow smaller unit sizes within the same development envelope. Removing the dwelling units per acre limits, as well as the average unit size in some zones, could increase unit production by an estimated 1.5 to 2.5 units in some projects.
- **15. Misstatement:** Planned development in the city will double student enrollment. **Clarification:** Student enrollment is a function of many factors, the most important of which vary independently from housing supply. The rapid increase in student enrollment experienced in the

2008 period occurred with virtually no new housing being built. Student enrollment is anticipated to peak and then decline in the next decade due to demographic factors.

**16. Misstatement:** There are 41 text amendments.

**Clarification:** There are not 41 unique amendments; rather, there are 41 places in the Zoning Ordinance where the proposals require text changes. Many of these are the exact same word change, made to each zone.

- 17. Misstatement: Zoning for Housing's impacts to historic districts have not been studied. Clarification: Zoning for Housing will have limited impact on historic districts because of how the proposals are structured. For example, the reductions in parking requirements will only affect new townhouses and redevelopment of single-family lots, which might occur in a very small number of cases in our historic districts. Parking reductions don't apply to multi-unit buildings of 5 units or more. Zoning for Housing will standardize setbacks between new commercial buildings and residential buildings, not eliminate them. New multi-unit buildings might see a few more units per building under the proposal.
- **18. Misstatement:** Staff has been working with special interest groups and has spent money on "public relations."

Clarification: Zoning for Housing/Housing for All are homegrown initiatives that are not sponsored, directly or indirectly, by any organized group. The extent to which supporters or opponents of elements of Zoning for Housing/Housing for All are organized into groups is not tracked by staff, although a minority of both supporters and opponents have self-identified as being members of a group. The public funds spent for Zoning for Housing/Housing for All went to (1) subject matter experts who provided information, data and analysis (2) venues for the two large kickoff events and (3) costs for civic engagement, such recording and broadcasting meetings online and advertisements of public hearings in the local paper. The great majority of "civic engagement" expenditures were for language interpretation and translation.

**19. Question:** Explain the analysis underlying the forecast of the number of properties and housing units that will be generated over the next decade from the zoning reform for single family zones.

**Clarification:** An executive summary of the analysis is <u>here</u> and the full report is <u>here</u>. The goal of the analysis was to determine the physical and economic feasibility for redevelopment of up to six-unit dwellings on properties in the single-family zones.

The analysis was based on trends in Alexandria sales data and real estate valuation in Alexandria's single-family zones, so individual properties were not identified. The final estimates of number of multi-unit dwellings that might be developed over 10 years also considered that the same building envelope for single-family homes would apply to any new multi-unit dwellings. The analysis determined that only lower-valued properties could be financially viable for redevelopment, and from that, estimated a percentage of properties sold in a year that were likely to be redeveloped with a dwelling type other than a single-family home.

The study found that an estimated 66 of the properties that might come on the market in the next decade would be redeveloped with more than one unit. Some details of the methodology:

For each single-family zone, the consultant:

- Analyzed six parcels to understand whether each housing type could feasibly be developed on the site given the zoning requirements. (Two parcels were chosen that were smaller than the zone's minimum lot size, two were consistent with the minimum lot size, and two were larger than the minimum lot size.)
- If considering redevelopment or renovation, developers will look to purchase lower valued sites. The percentage was determined this way:
  - o Determined how many single-family properties were in each zone
  - Determined that 91% of median single family home real estate assessment constitutes a lower-valued property in a zone
  - Calculated the average annual property sales rate for the last five years and applied that rate to the forecast of annual sales
  - Determined what share of the properties sold in each zone were sold at or below the lower-value price.
- Applied a percentage to those lower-valued properties to identify the number of parcels that could be redeveloped as 2-4-6 unit multi-family properties
- Quantified the projected number of 2-4-6 unit properties, arriving at the estimate for what could be possibly produced through the initiative.