City of Alexandria Procedures Regarding Affordable Housing Contributions

2016

The following outlines the City of Alexandria's 2016 affordable housing contribution procedures including the current voluntary monetary contribution rates, new Affordable Housing Plan guidelines, and optional reductions in parking requirements for affordable housing. As applicants submit concept plans and work through the City's development process, the Office of Housing is happy to discuss the applicability of these provisions to a particular project.

A. Bonus Density and/or Height obtained through Section 7-700 of the Zoning Ordinance

Section 7-700 of the Zoning Ordinance previously required the dedication of onsite units in exchange for a 20% density increase and/or an increase in the height limit by 25 feet. Amendments approved in January 2014 amend this section to do the following:

1) Allow the affordable units created through the bonus density process to be located off-site if the value is equivalent and the off-site units are mutually agreed upon by the City and the Applicant.

2) Allow the City to accept a cash contribution of equivalent value in lieu of affordable units if mutually agreed upon by the City and the Applicant.

3) Allow an applicant to receive more than 20% additional density if authorized within the relevant Small Area Plan.

4) Require that the number of affordable housing units to be provided in return for additional height or density created by the use of Section 7-700 be equal to at least one-third of the units made possible by the additional square footage, unless the City and the Applicant mutually agree to a different number of units in order to address a stated City objective (e.g., a particular configuration of unit sizes).

B. Voluntary Contribution Rates and Applicability

An Applicant may wish to provide a voluntary affordable housing contribution in connection with a project that does not use Section 7-700. An Applicant who desires to do so may find it helpful to refer to the formula developed by the Housing Contribution Policy Work Group *(see Table 1)*.

Table 1: 2016 Voluntary monetary contribution rates

Development Category	Contribution per Square Foot*
Non-Residential	$1.92
Tier 1 Residential (as defined in section F)	$2.56
Tier 2 Residential (as defined in section F)	$5.13

**Adjusted annually for the CPI-U for Housing for the Washington-Baltimore, DC-MD-VA-WV Consolidated Metropolitan Statistical Area*

Voluntary contributions are applicable for all new residential developments of five units or more, and all new building area constructed, including additions to existing structures, if larger than 3,000 gross square feet, unless otherwise excluded in section G.

C. Affordable Housing Plans

An Applicant proposing to make a housing contribution in the form of affordable units (whether required or voluntary) should submit an Affordable Housing Plan (AHP) describing the proposed contribution. Each AHP received by the City will be considered on a case-by-case basis within the guidelines of City policy with the understanding that the provision of affordable housing is an important

goal for the City that may need to be weighed along with other desired community benefits. To learn more about the content, submission, and review process of AHPs, please review the *Affordable Housing Plan Guidelines*.

D. Timing of Contribution Payment

For all projects (commercial and residential) for which voluntary or required bonus density contributions are pledged, contributions are to be made on a pro-rata basis at the time of the initial occupancy for each unit/space, as evidenced by a certificate of occupancy for finished unit/space, with the following exception: contributions attributable to for-sale units may be made upon the sale of each unit to the end user.

E. Gross Floor Area

For the purposes of calculating the affordable housing contribution, the entire GFA of a project shall be used with the following exception: all GFA attributable to parking, *other than* GFA attributable to garages attached to or on the same lot as individual residences and designed for use by a single household, shall be excluded from the calculation of the voluntary contribution.

F. Application of Formula to Mixed-Use Projects

In mixed-use projects, the Tier 1 Residential base shall be defined as all square footage that can be built "by right" on a particular site regardless of any non-residential square footage that is planned as part of the project. The Tier 2 Residential base shall be defined as all residential square footage in excess of what is included under the Tier 1 Residential base, but excluding square footage associated with any bonus density or height. Contributions for the Tier 1 Residential (as defined herein), Tier 2 Residential (if applicable), and non-residential square footage shall be calculated separately, each at its respective contribution rate, and then combined *(see Attachment 1 for examples of contribution calculations)*.

G. Exclusions

Types of development for which no contribution is anticipated include religious institutions (including seminaries, convents, or monasteries); public parks and playgrounds; public and private schools; preschools within a church or school building; non-commercial facilities (including such ones as recreational facilities and community centers designed to serve a neighborhood or other such uses as approved by the City); libraries; homeless shelters; any residential project undertaken by the Alexandria Redevelopment and Housing Authority (ARHA) or an entity of which ARHA is a part, or any project in which 10% or more of the units are public housing units or other publicly-assisted units serving as replacement for public housing; and parking garages (other than garages attached to, or on the same lot with, individual residences and designed for use by a single household).

H. Expirations, Extensions and Amendments to Development Special Use Permits (DSUPs), Development Site Plans (DSPs), and Coordinated Development Districts (CDDs)

1) If a previously approved DSUP or DSP expires, any resubmission after the expiration date will be treated as a new application and will be subject to review by the Office of Housing under the procedures current at the time of the re-submission. If the resubmission involves an AHP or changes to a previously approved AHP, the AHP will be forwarded to the Alexandria Housing Affordability Advisory Committee (AHAAC) for review.

2) If an applicant requests an extension of a previously approved DSUP or DSP, the affordable housing contribution shall be exempt from review by the Office of Housing.

3) If an applicant submits minor changes (as determined by the Department of Planning and Zoning) to a previously approved DSUP, DSP, or CDD, the affordable housing conditions of the revised submission shall be exempt from review by the Office of Housing unless the changes impact a previously approved AHP.

4) If an applicant submits major changes (as determined by the Department of Planning and Zoning) to a previously approved DSUP, DSP, or CDD that did not include an AHP, the affordable housing conditions shall be reviewed by the Office of Housing.

5) If an applicant submits major changes (as determined by the Department of Planning and Zoning) to a previously approved DSUP, DSP, or CDD that included an AHP, the affordable housing conditions shall be reviewed by the Office of Housing. If the proposed changes involve a new AHP or have implications for an existing AHP (e.g., there is a major change in the scope of the project that merits a change in the level of affordable housing to be provided), the AHP shall be forwarded to AHAAC for review.

I. Optional Parking Ratios for Affordable Housing

Sec. 8-200 (General parking regulations) was amended in 2015 to provide optional reductions in parking requirements for affordable units in multifamily buildings *(see Table 2 and Section 8-200(A)(2)(a)(iii) Optional parking ratio for affordable housing).*

Table 2: Optional parking ratios for affordable housing

Level of Affordability of Unit	Parking Space per Unit
30% AMI*	0.5
50% AMI*	0.65
60% AMI*	0.75
**Area Median Income as defined by HUD for the Washington-Arlington-Alexandria, DC-VA-MD-WV Area*	

These parking ratios may be further reduced if an Applicant can demonstrate, to the satisfaction of the Director of the Department of Planning and Zoning, that the multifamily dwelling in which the units are located complies with any of the following:

- 10% if the multifamily dwelling is within the Metro Half-Mile Walkshed or Bus Rapid Transit Half-Mile Walkshed, as shown on the maps titled "City of Alexandria Metro Station Walkshed Map" and "City of Alexandria Bus Rapid Transit Walkshed Map";
- 5% if the multifamily dwelling is within one-quarter of a mile of four or more active bus routes;
- 10% if the multifamily dwelling has a walkability index score of 90—100 or 5% if the multifamily dwelling has a walkability index score of 80—89; or
- 5% if the multifamily dwelling includes 20% or more studio units.

Please contact the Office of Housing Program Administration Division at 703-746-4990 for more information.

Affordable Housing Voluntary Monetary Contribution
Calculation Examples

Example 1: Retail and Residential in One Building

Proposed Project	
Mixed Use Building	200,000 Sq. Ft.
Residential	175,000 Sq. Ft.
Retail	25,000 Sq. Ft.

Site Characteristics	
Lot Area	100,000 Sq. Ft.
Zoning	CRMU/M
FAR By Right	1.25
FAR w/ DSUP	2.0
By Right Sq. Ft.	125,000 Sq. Ft.
DSUP Sq. Ft.	75,000 Sq. Ft.
Total Sq. Ft.	200,000 Sq. Ft.

Contribution Calculation of Example 1 – Work Group Recommendation			
Development Category	Sq. Ft.	2016 Rates	Voluntary Contribution
Non-Residential (Retail)	25,000	$1.92	$48,000
Tier 1 Residential	125,000	$2.56	$320,000
Tier 2 Residential	50,000	$5.13	$256,500
Total	**200,000**	**-**	**$624,500**

Example 2: Retail and Residential in One Building with Bonus Density

Proposed Project	
Mixed Use Building	225,000 Sq. Ft.
Residential	150,000 Sq. Ft.
Retail	75,000 Sq. Ft.

Site Characteristics	
Lot Area	75,000 Sq. Ft
Zoning	CRMU/H
FAR By Right	1.5
FAR w/ DSUP	2.5
FAR w/DSUP/Bonus	3.0
By Right Sq. Ft.	112,500 Sq. Ft.
DSUP Sq. Ft.	75,000 Sq. Ft.
Bonus Sq. Ft.	37,500 Sq. Ft.
Total Sq. Ft.	225,000 Sq. Ft.

Contribution Calculation of Example 2 – Work Group Recommendation			
Development Category	Sq. Ft.	2016 Rates	Voluntary Contribution
Non-Residential (Retail)	75,000	$1.92	$144,000
Tier 1 Residential	112,500	$2.56	$288,000
Tier 2 Residential	n/a	$5.13	$0
Bonus Density	37,500	Units**	-
Total	**225,000**	**-**	**$432,000**
*****Bonus Units to be determined in the manner consistent with Section 7-700***			

Example 3: Separate Office and Residential Buildings

Proposed Project		Site Characteristics	
Office Building	150,000 Sq. Ft.	Lot Area	300,000 Sq. Ft
Residential Building	300,000 Sq. Ft.	Zoning	OCM
		FAR	1.50
		By Right Sq. Ft.	450,000 Sq. Ft.

Contribution Calculation of Example 3 – Work Group Recommendation			
Development Category	Sq. Ft.	2016 Rates	Voluntary Contribution
Non-Residential (Office)	150,000	$1.92	$288,000
Tier 1 Residential	300,000	$2.56	$768,000
Tier 2 Residential	n/a	$5.13	0
Total	**450,000**	**-**	**$1,056,000**