

**FY 2020 Interdepartmental Long-Range Planning Work Program
Project Descriptions: Housing and Small Business Zoning**

AS REVISED OCTOBER 2019

Housing

22. Housing Contribution Review Work Group (Housing, PZ): Anticipated for Fall 2019 are proposed revisions to existing housing contribution procedures. Proposed revisions will clarify and make application more consistent (including in cases involving re-zonings, CDDs, and master plan amendments), and to develop contribution policies that address other emerging land use and development trends, including contributions for senior living facilities, conversion of commercial space to residential, and changes of proposed uses from commercial to residential. The goal of the work group is to capture value available to yield additional opportunities for affordable and/or workforce housing as well as to achieve certainty in the development process. The contribution procedures recommended will become the baseline for the upcoming review of the feasibility of a potential inclusionary zoning policy.
23. Housing Summit 2020 (Housing): The Office of Housing will convene a full-day summit on January 11, 2020 to reflect on the achievements of the Housing Master Plan, which will be at its mid-point of implementation, and to examine new opportunities to enhance housing affordability for all in the City.
24. Strengthening Condominium Communities (Housing): As an outgrowth of its ongoing common interest community education and governance training, the Office of Housing proposes to partner with Arlington County and the Virginia Housing and Development Authority (VHDA) to develop online training for condominium owners on the unique rights and responsibilities associated with this housing structure which is often the most affordable option for homeownership. Also to be explored are tools, strategies and new resources to help Northern Virginia's aging condominium properties address capital needs and deferred maintenance to ensure the properties remain affordable.
25. Examining Barriers to Housing Production (PZ, Housing): Adding capacity for housing through small area plans is one important early step to increasing the housing supply, but there are many additional factors that impact how and whether new housing is built. These factors include those under the purview of local government (regulations and the entitlement process), but also state and federal law, community support for growth, market and financial factors (such as construction costs, achievable rents, availability of financing), a mismatch between salaries that employers offer and the incomes needed for housing, and more. This project will build on past and current work in Alexandria and regionally to examine the factors that impact housing production and determine what actions can be taken to support our housing production goals, through dialogue with all who play a role in the production of housing.

26. Zoning for Housing (PZ, Housing): In conjunction with the City's Master Plan, zoning determines how much, what kind, and where housing may be built in the City. This effort will examine opportunities to increase the amount, types, and locations where housing may be built, with a continuous focus on affordability goals. An early part of this effort will be to identify a range of potential actions, from the comprehensive to the specific. Potential examples include changes to existing zones, creation of new zones, and expanding where the City would consider rezoning to higher densities without a small area plan study. The study will take into account implications for infrastructure and public facilities as well as proximity to transportation corridors and neighborhood services and amenities. Initiatives with the highest potential to achieve desired outcomes would be pursued. Opportunities for public discussion and consideration throughout the process will be critical.
27. Accessory Dwelling Unit Feasibility Analysis (PZ, Housing): Accessory dwelling units (ADUs) — also referred to as accessory apartments, second units, or granny flats — are additional living quarters on fee simple properties that are independent of the primary dwelling unit. Starting now, staff will conduct analysis with the intent of proposing amendments to the zoning ordinance to permit ADUs as an option to increase the stock of affordable and accessible housing in the City. Funds for consultant support of this project were included in the FY 2020 budget and selection of a consultant is underway. Lessons from other jurisdictions with considerable experience in ADU policy will be helpful, and robust public engagement is planned. Staff is working toward a goal of bringing ADU legislation to hearing in spring 2020 (April or May is the goal).
28. Inclusionary Zoning Policy Feasibility Analysis (PZ, Housing): Using the 2019 Housing Contributions Work Group policy recommendations as a baseline, this analysis will evaluate the feasibility and desirability of an Inclusionary Zoning policy for the City. Inclusionary Zoning policies require developers to set aside a certain percentage of housing units in new or rehabilitated projects for low- and moderate-income residents. The analysis will examine whether new development will facilitate production of more affordable units than are yielded currently through existing City housing policy and investment. Based on economic analysis anticipated to be performed by a third-party consultant, the effort will review successful inclusionary zoning programs elsewhere, including in comparable markets within the DC region, and evaluate how such a policy may impact the short- and long- term economic impacts on Alexandria's real estate development market, how an Inclusionary Zoning program can be most efficiently administered, along with knowledge of Virginia legislative laws and rules regarding housing policy. The consultant's work, and staff's preliminary recommendations regarding next steps, would be completed on a schedule to potentially inform 2021 City Legislative package requests to the General Assembly.
29. Framework for Mixed Income Assisted Living (Housing): Successes in securing affordable units in several recently approved privately-developed senior living facilities have begun to provide a small pipeline of housing/care options for some of the City's most economically vulnerable elderly and disabled, including persons on the auxiliary grant waiting list maintained by DCHS. Units will be available at Sunrise/Duke Street

(1), Sunrise/Washington Street (2), Silverado (2), future Goodwin House (~6) and Silverstone (7). In addition, the Housing Contributions Work Group will provide recommendations to revise current contribution procedures for future senior living facilities. It is noted that a proposed draft text amendment to ensure that senior living options are permitted in all locations where it is appropriate is anticipated to be considered by Planning Commission and City Council in FY 2020.

30. ARHA Master Plan (ARHA, Housing, PZ): City staff will be collaborating with ARHA staff on preliminary work to set the stage for an upcoming Master Plan. A work plan established through the ARHA Redevelopment Work Group will explore various topics in FY 2020 as ARHA repositions financial subsidies for its portfolio to create a framework for future renovation/redevelopment.
31. Financial Tools Review (Housing): Housing staff will review available financial tools to enhance affordable housing production including exemption of affordable housing and set-aside units from some developer contributions and fees, payment in lieu of taxes (PILOT), tax exemptions, loan consortium, and other options.
32. Enhanced City Land/Facility Co-location Policy (Housing, PZ): To be considered will be a requirement that in any development where City land or financial assistance for a capital project for a related entity is involved, onsite affordable housing be included unless it is unfeasible, in which case a heightened contribution would be expected. A requirement would also be set for disposition of City property. Implementation of this policy will require consideration of co-location opportunities for affordable housing as part of early feasibility analyses in future City and ACPS capital projects. Staff will also consider opportunities for co-location already incorporated in Small Area Plan recommendations. Recommendations to co-locate affordable housing with a municipal facility are recommended in the recently approved Landmark Mall Plan and the forthcoming Eisenhower East Plan.
33. Bonus Density Program Update (PZ, Housing): This effort will evaluate the potential for the bonus density program to better meet Alexandria's affordable housing challenge and result in greater usage/more units. Potential updates to be considered include: an evaluation of the potential to relax the prohibition on using the density program for height where the height limit is set at 50 feet (outside of historic districts); options for "free FAR" to increase the number of affordable units in assisted living; analysis of whether bonus density programs for other uses impact the affordable housing density program; and how the current policy could better address the different financial realities of for-sale units. Finally, the update will also include some clarifications regarding income/affordability levels, memorializing current practice for provision of units at 60% Area Media Income (AMI).
34. Co-housing Analysis (PZ, Housing): New housing models that allow residents to "rent" private living space (primarily bedroom and bathroom), but share other areas like living rooms, kitchens, dining rooms and amenities, including guest rooms, in common, are being intentionally created in many communities to create more affordable options for

individuals at all ages and stages of life who want to live “lighter” while enjoying social benefits of communal living. This effort would involve updates to, or replacement of, current regulations of rooming houses and boarding houses in the Zoning Ordinance, which staff considers to be restrictive and out of date.

35. Enhanced Tenant Protection and Relocation Policy (Housing): Housing staff will propose measures to strengthen tenant protections in cases of rezoning/redevelopment (or renovation requiring City permits or other approvals), including enhanced relocation assistance for impacted residents and, potentially, one-to-one replacement of affordable and market affordable units.
36. Small Business Zoning (PZ): Periodically, the City reviews zoning ordinance regulations that primarily impact small businesses for the purpose of determining where these regulations may be amended to better support economic vitality. Many of the regulations are for the purpose of safeguarding neighborhoods from potential off-site impacts; in recent iterations of “small business zoning” the City was able to determine that the potential for offsite impacts was either so low that an SUP is no longer needed, or could be effectively addressed through an administrative SUP. Staff has already developed a list of potential categories for further reform and plans discussions in the fall with the Planning Commission and City Council to ensure that the scope of this study meets expectations. Staff anticipates being able to bring recommendations to hearing next spring.
39. King Street Pedestrian Improvements Pilot Program (TES, PZ, RPCA, DPI, Visit Alexandria). Staff is proposing a pilot program to convert the 100 block of King Street (between Lee Street & Union Street) into a pedestrian only space with programming on the weekends in 2020. The groundwork for the pedestrian improvements started as part of the Union Street Corridor Study in 2012. The circulation for a pedestrian only space was evaluated as part of the 2015 Lower King Street Multimodal Feasibility Study. The pilot project will include stakeholder discussions with business and community representatives this fall to get input on the project framework. The pilot will also involve interdepartmental coordination. As a result of the input, the approach for the pilot, including programming and budget, will be presented to City Council for consideration this winter. At the end of the pilot, a report will be provided to City Council with recommendations for a path forward.

Microunits Study (Complete). At City Council’s request, Housing undertook a study of microunits in FY 2018 that included research, consultation with NAIOP, and community outreach via the City’s Parking Day event, when a 100 SF parking space on Pitt Street was staged as a micro-unit model home. Housing released a report on study findings in mid-December of 2018 that was circulated among AHAAC, the Landlord Tenant Relations Board, and the Planning Commission, and posted on Housing’s website. Further formal study and policy work, including potential zoning ordinance amendments, may continue if market conditions evolve to enable smaller units in new development.