

Workforce Dwelling Unit Policy Task Force

Meeting Summary

December 6, 2019 9:00 am to 11:00 am

WDU Policy Task Force Members Attending: Steve Cerny, Abdi Hamud, Richard Kennedy, Lynne Strobel and Brandon Wright.

Other Attendees: Tom Fleetwood, Goldie Harrison, Kelly Atkinson, Sophia Fisher, Bill Mayland, Sara Morgan and Paul Stanford.

Review of Meeting Summary and Schedule: Staff provided an overview of the meeting agenda and reviewed the September meeting summary. The next meeting is scheduled for January 29, 2020.

Presentation of Developers Proposal for the Countywide WDU Policy: Brandon Wright provided an overview of the developer's Countywide WDU Policy proposal and analysis. The proposal recommended providing 9 percent of the units as WDUs allocated equally between 60 and 70 percent of the Area Median Income (AMI). The objective of the proposal was to have the same economic impact to developers as the current policy, serve lower income tiers, and eliminate the 100- and 120-income tiers.

Presentation of Developers Proposal for the Tysons WDU Policy: Andrew Dunn with LMC (A Lennar Company) presented the developer's Tysons WDU Policy proposal and analysis through a conference call. The proposal and analysis compared the current policy to three new policy proposals (see below). The objective of the proposals was to have the same economic impact to developers as the current policy, serve lower income tiers and eliminate the 120-income tier.

Scenario 1

The analysis proposed providing 20 percent of the units as WDUs allocated between 60, 70, 80 and 100 percent of the AMI.

Scenario 2

The analysis proposed providing 11 percent of the units as WDUs allocated between 60, and 80 percent of the AMI.

Scenario 3

The analysis proposed providing 14 percent of the units as WDUs allocated between 60, 80 and 100 percent of the AMI.

Presentation of Virginia Center for Housing Research (VCHR) Analysis: Mel Jones with the VCHR presented its assessment of the developer's proposal for both WDU Policies. She highlighted if the current WDU Policies remain as an option, it is important for the new policy alternatives to have equivalent or better value for developers. Otherwise, developers would not likely choose the new policy alternatives. VCHR tested all the new policy alternatives and provided benchmarks.

Countywide WDU Policy

A policy alternative providing **9 percent** of the units as WDUs with all the units serving 80 percent of the AMI is almost equivalent to the current Countywide WDU Policy and the value for the builder/developer is extremely close to the existing policy, though slightly less. The WDUs would **not** be required to have a similar mix in the number of bedrooms as the market rate units.

Tysons WDU Policy

A policy alternative providing **16 percent** of the units as WDUs with all the units serving 80 percent of the AMI has greater value to the current Tysons WDU Policy and the value for the builder/developer is extremely close to the existing policy, though slightly less. The WDUs **would be** required to have a similar mix in the number of bedrooms as the market rate units.

Discussion of Next Steps: Mr. Fleetwood closed the meeting. Staff will continue to work to determine a path forward to help formulate the Task Force recommendations. The next Task Force meeting is scheduled for January 29, 2020.