

**FAIRFAX COUNTY PLANNING COMMISSION
REDEVELOPMENT & HOUSING COMMITTEE
JOINT W/REDEVELOPMENT AND HOUSING AUTHORITY (RHA)
WEDNESDAY, MARCH 15, 2006**

COMMITTEE MEMBERS PRESENT:

Frank A. de la Fe, Hunter Mill District
Ronald W. Koch, Sully District
Rodney L. Lusk, Lee District, Chairman

COMMITTEE MEMBERS ABSENT:

John R. Byers, Mount Vernon District
Suzanne F. Harsel, Braddock District
Nancy Hopkins, Dranesville District

OTHER COMMISSIONERS PRESENT:

Walter A. Alcorn, At- Large
James R. Hart, At-large
Kenneth A. Lawrence, Providence District

STAFF PRESENT:

Barbara J. Lippa, Executive Director, Planning Commission Office
Linda Rodeffer, Clerk, Planning Commission Office

OTHERS PRESENT:

Conrad Egan, Chairman, Providence District, Redevelopment and Housing Authority (RHA)
John Kershenstein, Springfield District, RHA
John Litzenberger, Sully District, RHA
Albert McAloon, Lee District, RHA
Lee Rau, Hunter Mill District, RHA
Mary Stevens, Deputy Director, HCD
John Payne, Director, Design, Development, and Construction Division, HCD

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The meeting was called to order by 2005 Committee Chairman Rodney Lusk at 7:35 p.m. in the Board of Supervisors' Conference Room, Fairfax County Government Center, 12000 Government Center Parkway, Fairfax, Virginia 22035.

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Commissioner Alcorn MOVED TO NOMINATE RODNEY L. LUSK AS CHAIRMAN OF THE 2006 REDEVELOPMENT & HOUSING COMMITTEE. The motion was seconded and carried unanimously.

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Chairman Rodney Lusk announced that an agenda for tonight's meeting had been distributed, a copy of which is in the date file. He said the first item was an update on the Affordable Preservation Action Committee recommendations.

John Payne, Director, Design, Development, and Construction Division, Housing and Community Development (HCD), reviewed the recommendations for the implementation of the Affordable Housing Preservation Action Committee.

- Recommendation 1 - Dedicate one penny of the real estate tax to the preservation of affordable housing in FY 2006:

\$17.8 million and 846 units available at this time with an expectation of more than \$21 million at the beginning of Fiscal Year 2007 to further advance the cause and preservation of affordable housing.

- Recommendation 2 - Revise the Fairfax County Comprehensive Plan to provide development flexibility and incentives for projects that include affordable/workforce housing and to broaden the definition of affordable/workforce housing:

The Preservation Task Force and the High Rise Affordable Housing Panel will address this issue. A demonstration project had been advertised and three proposals received which were currently being reviewed by the Department of Planning and Zoning (DPZ) for possible implementation.

In response to a question from Chairman Lusk, Mr. Payne said he did not know when the DPZ review would be completed which was being handled by Donna Pesto, Zoning Administration Division, Department of Planning and Zoning.

- Recommendation 3 - Provide a tool box of incentives for preservation, which include zoning and regulatory flexibility and financing techniques. Provide form-based zoning options and overlay districts to enable certain design standards to facilitate development approvals:

The High Rise Affordable Housing Panel was a toolbox element that could be used, including zoning initiation and regulatory changes. A group led by Bill Barry, representing private industry, was developing suggestions in conjunction with AHOME to bring forward ideas.

- Recommendation 4 - Create an affordable Housing SWAT team, comprised of business and community stakeholders and County staff, and fund an ombudsman position at the

Department of Housing and Community Development to act as the point person to prevent the loss of at-risk affordable housing:

HCD has identified properties with potential of being preserved as affordable housing.

Conrad Egan, Chairman, Providence District, RHA, noted that the recent acquisition of the Crescent Apartments in Reston demonstrated the County's commitment at all levels to preserve affordable housing. He said the County was able to act quickly to purchase the property due to the SWAT team.

- Recommendation 5 - Develop incentives to encourage the owners of existing affordable dwelling units to record a new covenant to extend the control period of the unit to 30 years and/or restart the control period when they sell to a new owner:

A Zoning Ordinance amendment was adopted to extend the control period of ADUs.

- Recommendation 6 - Develop incentives to encourage the preservation of affordable units in condominium conversions within existing affordable garden apartment stock in the County:

An interagency team had been established to identify projects expected to be converted to condominiums and a brochure had been updated for renters about their rights.

Mr. Payne noted that one of the legislative initiatives of the County, to allow tenants to yield their right to purchase a unit in a condominium conversion to a County or non-profit organization, had not been successful due to concerns of private industry.

- Recommendation 7 - Establish a working group to develop recommendations on how to restructure Virginia's Low Income Housing Tax Credit program and increase the usage of the Federal Low Income Housing Tax Credit program, with an emphasis on preservation:

Mike Sawyer to head a Northern Virginia field office of the Virginia Housing Development Authority (VHDA) to help support housing preservation; VHDA commitment to permit low income tax credits up to a certain amount in Northern Virginia on a non-competitive basis for preservation activities.

- Recommendation 8 - Support House Joint Resolution Number 719 directing the Virginia Housing Commission to study the authority of localities to provide incentives to preserve affordable housing:

Specific legislation from last year addressed this recommendation.

- Recommendation 9 - Support the establishment of the Governor's Virginia Community Development Bank and specific Virginia General Assembly bills that will expand the Bank to urban areas like Fairfax County:

Discussion with VHDA to make the bank more accessible to suburban and urban counties in addition to rural areas.

- Recommendation 10 - Revise the Affordable Dwelling Unit Ordinance to extend the control period to 30 years for new ADUs:

Extension of the period of time incorporated into legislation approved by the Board of Supervisors.

- Recommendation 11 - Study the use of accessory dwelling units as a way to expand the affordable housing stock while being careful to ensure neighborhood compatibility and address community concerns:

Held for further consideration until some of the more pressing and achievable goals have been accomplished.

- Recommendation 12 - Establish an advocacy and public education campaign to promote the need for affordable housing:

Groups advocating for affordable housing in Northern Virginia with specific areas targeted.

John Kershenstein, Springfield District, RHA, said there was an opportunity for RHA to purchase up to 27 units in the Fair Chase development, located near the Government Center, to house teachers, police officers, firefighters and other County employees. Mary Stevens, Deputy Director, HCD, said units in the East Market development near West Ox Road would be preserved to house school bus drivers and units in the Westcott Ridge development had been designated to house firefighters.

Responding to a question from Commissioner Alcorn, Ms. Stevens said often after a police officer or firefighter had been employed for a year or two, they would become ineligible since overtime pay placed them above the income requirements.

Mr. Kershenstein pointed out that one solution to the traffic problem would be to provide housing in the County for those who worked in the County.

Commissioner Alcorn commented that at a recent meeting of the Planning Commission's Schools Facilities Committee, it had been pointed out that school construction costs had increased dramatically due to the higher costs of materials and the scarcity of workers. He said affordable housing in the County for construction workers was needed also.

Upon his arrival, Planning Commission Chairman Peter F. Murphy, Jr., constituted the 2006 Redevelopment and Housing Committee at 7:56 p.m., pursuant to Section 4-102 of the Commission's *Bylaws & Procedures*.

Responding to a question from Chairman Lusk, Mr. Egan said there would be a significant need for Planning Commissioners to be involved in the implementation of the High Rise Affordable Panel recommendations, noting that Commissioner Alcorn and Lee Rau, the Hunter Mill District RHA representative, were members of the panel.

Mr. Rau said the Board of Supervisors had adopted the panel's recommendation that high density developments within the County should provide a significant amount of affordable housing, consisting of more than one tier of housing to include low and moderate housing. He said policy was general and would be defined more specifically with the assistance of consultants.

Mr. Payne explained that the panel would analyze the affordability of units in high-rise high-density developments to determine the economic impact and density entitlements to landowners and developers; the impact of regulatory concessions from local government; a tiered model of density bonuses and options for funding high-rise condominium fees.

Mr. Rau said the panel wanted to recommend policies that would provide sufficient economic incentives so that the market would supply affordable housing. He noted the focus of the analyses would be to determine logical and reasonable incentives to encourage affordable housing. He explained that issues should be defined by the end of June when specific recommendations would be made to the BOS that would guide future County policy with possible revisions to the Comprehensive Plan and the Zoning Ordinance. He said the implementation phase of the policy would begin after the panel's recommendations had been approved by the BOS.

In response to a question from Mr. Kershenstein about revenue neutrality, Mr. Rau said developers could be compensated even if incentives were not entirely revenue neutral.

Commissioner de la Fe cited a recent case in the Hunter Mill District in which a proposal to include residential development with ADUs in a by-right office development had not been successful. He said this was an example the panel might want to review.

Responding to a question from Mr. Kershenstein, Commissioner de la Fe said that the County did not have a maximum building height except for height restrictions imposed by the Federal Aviation Agency.

Commissioner Alcorn commented that the panel wanted to first establish the policy for providing workforce housing in high rise developments which would be broader than the ADU Ordinance with different criteria and a range of income levels.

Mr. Rau pointed out that although the name of the panel was "High Rise Affordability Panel" its scope would include high density development as well because policy issues were relevant to both situations.

In response to a question from Commissioner Koch, Mr. Rau said the issue of how the occupants of high rise affordable units would pay condominium association fees needed to be addressed. Mr. Payne said one suggestion had been made to divide a 1,200 square foot unit into two smaller units and split the fee. Commissioner de la Fe pointed out that high rise association fees were well above those paid for a garden type development and perhaps fees and amenities could be negotiated. Mr. Payne added that less desirable units from a market standpoint might have lower fees.

Mr. Egan pointed out that the panel supported a policy which would link commercial and industrial development with housing opportunities. He also noted that although the ADU program was successful, it did not produce the volume of units needed; therefore, another approach was needed.

Responding to a question from Commissioner Koch about the possibility of buyouts, Commissioner Alcorn said that level of detail had not yet been addressed. Mr. Rau added that there could be different tiers of condo fees depending upon the bundle of services people desired.

In response to a question from Commissioner Hart, Mr. Rau said one of the specific objectives of the panel was to come up with a definition of workforce housing and that staff was going to prepare a matrix of definitions for a variety of different purposes.

Commissioner Hart commented that the requirement to provide workforce housing needed to be put into the Zoning Ordinance work program. Commissioner Alcorn replied that it would first go into the Policy Plan and depending upon what type of implementation measures were adopted, a change to the Zoning Ordinance might be necessary. Commissioner Hart noted that if it became a requirement it would have to be contained in the Ordinance.

Mr. Rau noted that the emphasis would be placed on incentives and he expected, at the workforce level, many of the units produced would not be due to subsidies, but to policies that encouraged development at remunerative rates for the developers.

Responding to a question from Commissioner Lusk, Mr. Rau said to date the response from industry on the recommendations had been unanimous.

Referring to the agenda for tonight's meeting Mr. Egan suggested that item number 4, loss of mobile home parks and the implications for affordable housing, be included with number 5, consideration of future meeting topics.

Mr. Egan said a follow-up committee meeting should be scheduled in May. Ms. Stevens said two possible dates were May 3 and May 31. (Editor's note: the meeting has been scheduled for June 14, 2006.)

Mr. Egan reminded the members that a meeting of the Planning Commission/RHA Revitalization Group (G-7) would take place on April 6 at 7:00 p.m., in the RHA Board Room, 4500 University Drive, Fairfax, Virginia.

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The meeting was adjourned at 8:16 p.m.
Rodney L. Lusk, Chairman

For a verbatim record of this meeting, reference may be made to the audio recording which can be found in the Office of the Planning Commission of Fairfax County, Virginia.

Minutes by: Linda B. Rodeffer

Approved on: October 25, 2006

Linda B. Rodeffer, Clerk
Fairfax County Planning Commission