

**FAIRFAX COUNTY PLANNING COMMISSION
HOUSING COMMITTEE
JOINT W/REDEVELOPMENT AND HOUSING AUTHORITY
WEDNESDAY, APRIL 18, 2007**

COMMITTEE MEMBERS PRESENT:

Walter L. Alcorn, At-Large
Frank A. de la Fe, Hunter Mill District
Earl L. Flanagan, Mount Vernon District
Ronald W. Koch, Sully District
Rodney L. Lusk, Lee District
Timothy J. Sargeant, At-Large

COMMITTEE MEMBERS ABSENT:

Suzanne F. Harsel, Braddock District
Nancy Hopkins, Dranesville District

OTHER COMMISSIONER PRESENT:

Kenneth Lawrence, Providence District

PLANNING COMMISSION STAFF PRESENT:

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

REDEVELOPMENT AND HOUSING AUTHORITY COMMISSIONERS PRESENT:

John Litzenberger, Sully District
Lee A. Rau, Hunter Mill District

HOUSING AND COMMUNITY DEVELOPMENT STAFF PRESENT:

John Payne, Director, Design, Development, and Construction Division
Tom Fleetwood, Strategic Planner

DEPARTMENT OF PLANNING AND ZONING STAFF PRESENT:

Fred Selden, Director, Planning Division (PD)
Heidi Merkel, Planner III, PD

OTHERS PRESENT:

Melissa Bondi, Citizen

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Chairman Rodney Lusk called the meeting to order at 7:30 p.m. He noted that an update on the Policy Recommendations of the Fairfax County High-rise Affordability Panel would be presented to the Committee tonight.

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Lee Rau, Hunter Mill District member of the Redevelopment and Housing Authority (RHA), stated that there had been few changes to the policy recommendations since the Committee last met on March 14, 2007. (A copy of his PowerPoint presentation is in the date file.)

He reviewed the key recommendations as shown on pages 3 and 4 of the handout:

- Production Expectation and Applicability: Clarified to state that the 12 percent of units produced in high-rise/high-density development would be tied to the County's defined "Development Centers" as identified in the Comprehensive Plan.
- Incomes to be Served: remained the same with the deletion of the bottom tier due to economic concerns about bonus density with a bifurcation in the incomes for sale and rental units.
- Implementation: policies will be implemented through the Comprehensive Plan and amendments to the Zoning Ordinance to permit the units to be administered the same as Affordable Dwelling Units (ADUs).
- Bonus Density: one-for-one with a 20 percent cap but with no dilution factor as proposed in October 2006.
- Commercial, Industrial, and Mixed-Use Areas: recommend that affordable units should be included in commercial and industrial zones with an ongoing process to address implementation issues over time.

Mr. Rau explained the one-for-one bonus density example shown on page 5 of the presentation.

Mr. Rau summarized the primary changes to the recommendations from the previous draft as shown on pages 6 and 7 of the presentation:

- Interim Policy for Implementation: Now recommending that the Board adopt an interim policy to provide for the administration of proffered workforce housing units until such time as the recommended amendments to the Comprehensive Plan and the Zoning Ordinance take effect, including, among other things, price control periods, covenants, and otherwise provide for the administration of proffered workforce housing units in a manner similar to the ADU program.
- Bonus Density: Added "safety valves" allowing developers to: 1) provide workforce units in wood construction on the same site; 2) purchase units and donate them to the County as workforce units; 3) donate land suitable for development of workforce housing.

- **Bonus Unit/Workforce Equivalency:** Added clarifying language that the 12 percent affordability expectation must be met or exceeded before any bonus density can be realized as non-residential space in a mixed-use development.
- **Policy Review:** Clarified that density bonus policy should be revisited every two years.
- **Policy Plan Language:** Added language stating the goal that units produced under the proposed policy should be permanently affordable and language strengthened related to the recommended density bonus.
- **Personnel:** Added recommendation that the Board of Supervisors fund all positions necessary to carry out the policy and that the Board direct the County Executive to determine any additional staff needs and potential funding sources.

Responding to a question from Commissioner Sargeant, Fred Selden, Director, Planning Division, Department of Planning and Zoning, said that in some places the term affordable/workforce housing was used because ADUs counted toward the 12 percent and said this would be clarified in the "Amended Panel Report and Policy Recommendations to the Fairfax County Board of Supervisors" dated April 12, 2007, pages 2 and 3, under Density Bonus, a copy of which is in the date file.

Commissioner Flanagan said the Mount Vernon Council had already defined affordable housing as rental units for those within zero to 60 percent of the average median income (AMI) and workforce housing for those within the 60 to 120 percent with the ability to buy with assistance. Commissioner Sargeant added that the Council's intent was to ensure that a specific workforce housing definition would provide more types of incentives for private development leaving more public funding for those with critical needs. Mr. Rau said this was consistent with the Panel's recommendations.

Commissioner Lusk said the Council's view could be addressed during the public forum process.

John Litzenberger, Sully District RHA member, said that RHA had agreed that anything above 80 percent would be on evaluated on a case-by-case basis.

Commissioner Sargeant pointed out that the Panel's Report on page 7, iv., Glossary, stated that: "Eligible occupancy, sales prices and rents of Workforce Housing are controlled for a certain period of years." He said if the intent was to control the units in perpetuity, more certainty in the timeframe might be needed. Mr. Rau said for-sale units would be for a 30 year renewable period upon sale of the unit. Responding to another question from Commissioner Sargeant, Chairman Lusk said that enforcement of this provision would be the same as for ADUs.

Chairman Lusk MOVED THAT THE PLANNING COMMISSION ENDORSE THE CONCEPT OF A WORKFORCE HOUSING INITIATIVE TARGETED TO MODERATE INCOME HOUSEHOLDS MAKING UP TO 120 PERCENT OF THE AREA MEDIAN INCOME AND REQUEST THAT THE BOARD OF SUPERVISORS AUTHORIZE APPROPRIATE AMENDMENTS TO THE COMPREHENSIVE PLAN AS THE INITIAL STEP IN CONSIDERING RECOMMENDATIONS OF THE HIGH-RISE AFFORDABILITY PANEL.

Commissioner Alcorn seconded the motion which carried unanimously.

Commissioner Lawrence commented that in some cases, such as the Tysons Corner Urban Center and transit-oriented development, it might be useful to have a mechanism whereby developers who were not able to provide the minimum number of units could purchase units from developers who had exceeded the cap. Mr. Rau said the philosophy of the Panel was to see the units integrated into the building itself but realized that since it might not always be possible to do so, alternatives included wood or similar construction on or off-site; purchase and donation of units to the County; and land donation, as shown in the Panel's Report on page 3, 1.a., 1), 2), and 3).

Commissioner Alcorn suggested that language be added to the motion to ensure that the proposed amendment was advertised with the maximum flexibility allowed. He also said other details needed to be worked out such as the number of units that would be allowed to be located off-site.

Mr. Selden pointed out that Plan Amendments did not have the same advertising scope issues that Zoning Ordinance and County Code amendments had. He added that a Policy Plan amendment only needed to provide latitude to investigate and incorporate workforce housing policy and did not have to be specific about all of the parameters involved. Mr. Selden noted that the Panel's recommendations included amending the Zoning Ordinance to support the administration of the program and to address placing workforce housing in commercial and industrial districts. He suggested that the motion also recommend that these amendments be placed on the Zoning Ordinance Work Program.

Commissioner Alcorn reiterated his request that the motion be amended to include language that would ensure flexibility in the authorization of the Plan Amendment and addressed the need to authorize a Zoning Ordinance Amendment to facilitate implementation.

Commissioner Lusk MOVED TO ACCEPT THE REVISIONS TO THE MOTION AS SUGGESTED BY COMMISSIONER ALCORN AND MR. SELDEN.

Commissioner de la Fe seconded that motion which carried unanimously.

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The meeting was adjourned at 8:00 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: June 21, 2007

Linda B. Rodeffer, Clerk
Fairfax County Planning Commission

Attachments:

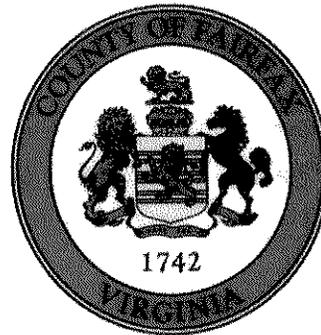
High-Rise Affordability Panel Update on Policy Recommendations (PowerPoint presentation)

Amended Panel Report and Policy Recommendation to the Fairfax County Board of Supervisors dated April 12, 2007

Planning Commission Recommendation to the Board of Supervisors

Fairfax County High-rise Affordability Panel

Update on Policy Recommendations



April 18, 2007

**Joint Meeting of the Redevelopment and Housing Committee of the Fairfax
County Planning Commission and the Fairfax County Redevelopment and
Housing Authority**

Key Dates: High-rise Affordability Panel

- **October 2005:** Panel appointed by Board of Supervisors to recommend policy to foster production of affordable housing in high-rise development
- **February 2006:** Board of Supervisors adopted Panel-recommended general policy statement and guiding principles; instructed Panel to develop more detailed recommendations for implementation
- **February – October 2006:** Panel met 15 times; expanded focus to include high-density areas of the County
- **October 16, 2006:** Panel presented recommendations to the Board Housing Committee; Board instructed Panel to work with staff to resolve outstanding issues and refine recommendations and to involve the Planning Commission and FCRHA
- **October 2006 – April 2007:** Panel continued to meet to develop revised recommendations; briefed the Redevelopment and Housing Committee of the Planning Commission on January 24 and March 18, 2007; revised version prepared for April 18, 2007 meeting.

Key Recommendations

Production Expectation and Applicability: At least 12 percent of units produced in high-rise/high-density developments be affordable/workforce housing. Policy to apply in in Fairfax County's defined "Development Centers", as identified in the Comprehensive Plan.

Incomes to be served: The Policy will serve three income tiers between 80 and 120 percent AMI , with three tiers of 80, 100, and 120 percent AMI for all sales units and rental units in concrete/steel construction, and tiers of 80 and 100 percent AMI in rental units in wood construction.

Implementation: The policy be implemented through both the Comprehensive Plan and, for administrative purposes, the Zoning Ordinance.

Key Recommendations

Bonus Density: Grant bonus density 1 unit for every 1 affordable/workforce unit provided, with a maximum bonus of up to 20 percent. Bonus density may be realized as non-residential uses in mixed use developments if minimum 12 percent affordability met or exceeded.

Commercial, Industrial, and Mixed-Use Areas: Initiate a process to allow, under certain circumstances, housing as a permitted use in Commercial, Industrial and mixed-use districts, potentially using a Special Exception use or prototype by-right model. Panel believes this recommendation may ultimately result in the most significant production of affordable/workforce housing.

“One for One” Density Bonus: Example

Where the Comprehensive Plan allows a maximum of 100 units, a 114 unit development could be considered provided that a minimum of 12 percent of the overall total - or 14 units - are provided as Workforce Housing. The 14 units allowed above the maximum represent the "bonus" density incentive which equals the number of Workforce Housing units provided.

In this 100 unit example, the developer has to provide at least 14 units to achieve both the 12 percent goal and receive the “one-to-one” bonus. If the developer provides less than 14 units in this example, they could not achieve the full bonus because to do so would result in less than the minimum 12 percent affordable/workforce units for the development.

Critical Changes from Previous Draft

Interim Policy for Implementation: Now recommending that the Board adopt an interim policy to provide for the administration of proffered Workforce Housing Units until such time as the recommended amendments to the Comprehensive Plan and Zoning Ordinance take effect. This would include, among other things, price control periods, covenants, and otherwise provide for the administration of proffered Workforce Housing Units in a manner similar to the ADU program.

Bonus Density: Added “safety valves” allowing developers to: 1) Provide Workforce Units in wood construction on the same site or in a Development Center; 2) Purchase units in a Development Center and donate them to the County as Workforce units; 3) Donate land to the County suitable for the development of Workforce Housing.

Bonus Unit/Workforce Equivalency: Added clarifying language that the 12 percent affordability expectation must be met or exceeded before any bonus density can be realized as non-residential space in a mixed-use development.

Critical Changes from Previous Draft

Policy Review: Clarifies that the density bonus policy should be revisited every two years.

Policy Plan Language: Added language stating the goal that units produced under the proposed policy should be permanently affordable. Strengthened language related to the recommended density bonus.

Personnel: Added recommendation that the Board fund all positions necessary to carry out the policy, and asks that the Board direct the County Executive to determine any additional staffing needs and potential funding sources.

April 12, 2007

High-rise Affordability Panel of Experts

Amended Panel Report and Policy Recommendation to the Fairfax County Board of Supervisors

Background: On October 16, 2006, the Fairfax County Board of Supervisors Housing Committee, chaired by Supervisor Cathy Hudgins (Hunter Mill District), received the recommendations of the Board-appointed High-Rise Affordability Panel. The Panel was charged by the Board to recommend specific policies to encourage the development of affordable/workforce housing in the County's high-rise/high-density areas. The Board defined affordable/workforce housing as being for families earning a range of moderate incomes up to 120 percent of the area median income.

Board members asked a variety of questions and raised several issues for further consideration by the Panel and County staff. The two chief concerns were with the potential size of density bonuses that could be granted using the Panel's recommended ratios and the conditions under which housing would be a permitted use in commercial and industrial districts. The Board subsequently accepted the Panel's report and recommendations in principle and directed staff from the Departments of Housing and Community Development and Planning and Zoning to work with the Panel to resolve the issues raised during the Housing Committee meeting, and return with revised recommendations to accomplish the Policy Plan objective of 12 percent affordable housing in residential high-rise, high-density areas.

The Panel reconvened and continued to meet between December 2006 and April 2007. During this time, Panel Chair Lee Rau briefed a joint meeting of the Planning Commission and the Fairfax County Redevelopment and Housing Authority (FCRHA) on the progress of the Panel's deliberations. Per the Board's direction, staff worked with the Panel to address the concerns of the Board and staff, as well as those raised by Planning Commissioners, and to develop the revised recommendations contained in this document.

1. Revised Conceptual Recommendations: Based on staff input and in-depth discussion by the Panel, the following recommendations are offered to the Board for consideration. These recommendations supersede those made in the original October 16, 2006, report (attached).

- a. Policy Statement: The Panel recommends that the Board adopt a policy stating that in developments with multi-family dwellings in Development Centers identified in the Fairfax County Comprehensive Plan, at least twelve (12) percent of the total number of residential units of all unit types produced shall be Affordable Housing, consisting of Affordable Dwelling Units (ADUs) and/or Workforce Housing. This recommendation is consistent with the existing language in the Housing Section of the Comprehensive Plan Policy

Plan. The minimum twelve percent goal may be met through a combination of ADUs, where required, and voluntarily provided Workforce Housing units. The Panel recommends implementing this policy primarily through the Policy Plan. The Panel also recommends the adoption of a "Workforce Housing Program" within the Zoning Ordinance, to provide for the conditions under which voluntarily-provided Workforce Housing units will be administered.

- b. Definition: For clarity, the Panel recommends that housing units to be produced under the policy recommendation contained herein be referred to as "Workforce Housing". For purposes of the Fairfax County Comprehensive Plan, Affordable Housing should be defined to include Workforce Housing and units produced under the Affordable Dwelling Unit (ADU) Program (Article 2, Part 8 of the Fairfax County Zoning Ordinance). The recommendation is made with the Panel's recognition and appreciation that the income range served by the ADU Program constitutes a critical segment of the County's workforce.
- c. Applicability: The Panel recommends that the Board's policy to encourage the production of Workforce Housing should apply in Fairfax County's defined "Development Centers", as identified in the Fairfax County Comprehensive Plan. These currently include the Tyson's Corner Urban Center, Suburban Centers, Community Business Centers, and Transit Station Areas, and when permitted in commercial, industrial and mixed use districts as described in Paragraph 1.g "Affordable and Workforce Housing as a Permitted Use in Commercial, Industrial, and Mixed-Use Districts".
- d. Incomes to be Served: The policy should serve households earning a range of moderate incomes up to 120 percent of the Area Median Income (AMI), with incomes adjusted for household size. Specifically, Workforce Housing Units provided in "for sale" developments in all construction types, or in rental developments built with concrete and/or steel construction, should be divided into three groupings or tiers. One tier should be affordable to households earning up to 80 percent AMI, the second tier should be affordable to households earning up to 100 percent AMI, and the third tier should be affordable to households earning up to 120 percent AMI. Workforce Housing Units provided in wood-construction structures in rental developments should be divided into two groupings or tiers. One tier should have rents affordable to households earning up to 80 percent AMI and the second tier should have rents affordable to households up to 100 percent AMI.
- e. Density Bonus: The Panel recommends the use of bonus density as an incentive to developers to produce Workforce Housing in the defined "Development Centers" in Fairfax County. Specifically, the Panel recommends that one (1) bonus unit be provided for every Workforce Housing unit provided, as long as the Affordable Housing units constitute a minimum of 12 percent or more of the total number or proposed units, with a

maximum bonus of up to twenty (20) percent. As an example, where the Comprehensive Plan allows a maximum of 100 units, a 114 unit development could be considered provided that a minimum of 12 percent of the overall total, or 14 units, are provided as Workforce Housing. The 14 units allowed above the maximum represent the "bonus" density incentive which equals the number of Workforce Housing units provided. In this 100 unit example, the developer has to provide at least 14 units to achieve both the 12 percent goal and receive the "one-to-one" bonus. If the developer provides less than 14 units in this example, they could not achieve the full bonus because to do so would result in less than the minimum 12 percent affordable/workforce units for the development. In the event a developer elects not to take advantage of the density bonus, the expectation remains that 12 percent of the units in a project will be Affordable/Workforce Housing. The Panel further recommends increasing allowable building heights and/or modification of bulk plane regulations where necessary to accommodate Affordable/Workforce units and any associated bonus market units.

While the Panel recognizes that the Comprehensive Plan provides for varying levels of increased density above the current zoning, the Panel has a concern that, due to land and construction costs, the "one to one" bonus may not be sufficient incentive in all cases to achieve the County's goal that 12 percent of new production be affordable housing. The Panel recommends that the bonus policy be periodically re-evaluated every two years.

In rezoning and/or site development cases where it is not economically realistic to achieve the goal amount of Workforce Housing in high-rise concrete and steel construction, the production of such units may be:

- 1) Proffered to wood or similar construction on the same site or, as a second option, within a Development Center as described in Paragraph 1.c "Applicability", to the extent implementable under applicable law and consistent with applicable planning policies;
 - 2) Provided via the purchasing of existing units in a Development Center and donation of such units to the Board of Supervisors or, at the Board's discretion, to the Fairfax County Redevelopment and Housing Authority (FCRHA) for re-sale or rental to households with incomes that qualify for affordable and workforce housing; or
 - 3) Provided via the donation of land in appropriate amounts and locations to the Board of Supervisors or, at the discretion of the Board, the FCRHA for the development of affordable housing.
- f. Bonus Unit – Workforce Unit Equivalency: The Panel recommends that the Board consider, as a part of the implementation of its Workforce Housing policy, linking the size of each bonus market-rate unit to the size of the

workforce units provided. The Panel's recommendation is that the size of the bonus market-rate units should mirror that of the workforce units, within a range of 10 percent of the workforce unit's square footage. The Panel recommends the following minimum workforce unit sizes: Efficiency: 450 square feet; 1-bedroom: 600 square feet; and 2-bedroom: 750 square feet. In addition, the Panel recommends that the density bonus gained through the provision of workforce units could be allowed to be realized as non-residential space in a mixed-use development, provided that the developer also achieves the goal of making 12 percent of the total units affordable.

- g. Affordable and Workforce Housing as a Permitted Use in Commercial, Industrial, and Mixed-Use Districts: Through a mechanism such as the Special Exception process or the development of a by-right prototype, Affordable and Workforce Housing should be permitted in commercial, industrial, and mixed-use districts, under certain conditions and restrictions. In addition, employers with campus-type facilities in commercial and industrial districts should be allowed to use a portion of their land to provide Affordable/Workforce Housing for their employees. In either case, the Panel recommends that the affordable/workforce component of any residential development permitted in commercial or industrial districts should not count against the planned density or intensity of the property, within reasonable limits.
- h. Serving Lower Incomes: The Panel recommends that the County continue to facilitate the production of new housing affordable to households earning incomes 60 percent of the Area Median Income (AMI) and below. The Panel recommends that the Department of Housing and Community Development (HCD) participate more directly in the proffer process to identify opportunities to foster the production of such housing, including potentially the use of County financial resources, as appropriate.
- i. Regulatory "Toolbox": The County should develop a toolbox of regulatory actions to be applied as needed to enhance the economic situation for providing affordable and/or workforce housing in concrete and steel construction, including but not limited to:
 - Designating Workforce Housing units in designated Development Centers as eligible for a reduction and/or flexibility in parking requirements. The Panel acknowledges the Planning Commission's ongoing Transit Oriented Development efforts and the related parking study, and recommends that this issue be studied as part of that effort;
 - Decreasing the processing time of rezoning applications, site plans, and building permits for projects providing substantial Affordable/Workforce Housing;

- Moderating, as appropriate and where possible, development fees such as processing fees and granting the reduction or waivers of other development-related fees to the extent possible;
 - Modification of the Zoning Ordinance so that the square footage associated with Workforce Units is exempted from Floor Area Ratio calculations; and
 - Tax district TIF to offset infrastructure costs and certain other development charges.
- j. Land donations: The County should develop a process and structure to accept and manage suitable land donated by developers and private individuals. The sole purpose of such donations shall be for the development of Affordable/Workforce Housing. Staff should evaluate the relative benefits and drawbacks of a) the Board of Supervisors or the FCRHA directly accepting donations and making grants, leases, or sales to qualified non-profit affordable housing-producing organizations; and b) the creation of a non-profit community land trust or similar organization to accept and manage land donations and incorporate their findings into the recommended structure.
- k. Condominium fees: Create a policy to mitigate the impact of condominium fees for purchasers of for-sale Affordable/Workforce units. The Panel recommends that the County identify and implement effective means to mitigate the impact of condominium fees on the purchasing power of such buyers. Examples of such means could include: 1) for those at the lower end of the income range, the County could provide financial assistance to the Fairfax County Redevelopment and Housing Authority (FCRHA) to help the FCRHA reduce the impact of condominium fees; 2) a developer fund, endowed by contributed funds, could be established to provide a subsidy for condominium fees (the incentives, if any, needed to make such a developer fund feasible will require study).

2. Implementation Recommendations: The Panel has worked closely with staff to develop the following recommendations to implement the above conceptual recommendations:

- a. Policy Plan Amendments
- i. Housing Section: Objective One
- Add new policies stating that
 - In developments with multi-family dwellings of all construction types in Development Centers, at least twelve (12) percent of the total number of residential units of all unit types produced shall be Affordable Housing, defined as Affordable Dwelling Units (ADUs) and/or Workforce Housing.

- Workforce Housing Units provided in “for sale” developments in all construction types, or in rental developments built with concrete and/or steel construction, should be divided into three equal groupings or tiers. One tier should be affordable to households earning up to 80 percent AMI, the second tier should be affordable to households earning up to 100 percent AMI, and the third tier should be affordable to households earning up to 120 percent AMI. Workforce Housing Units provided in wood-construction structures in rental developments should be divided into two equal groupings or tiers. One tier should have rents affordable to households earning up to 80 percent AMI and the second tier should have rents affordable to households up to 100 percent AMI. Incomes should be adjusted for household size.
 - In any case, the provision of Workforce Housing does not exempt the applicant from any applicable requirements of the Affordable Dwelling Unit Program in the Zoning Ordinance.
 - Add new policy designating Affordable/Workforce Housing as an allowed use in commercial or industrial districts.
 - Add new policy stating that in developments with multi-family dwellings in Development Centers where the 12 percent minimum Affordable/Workforce unit goal is achieved or exceeded, one bonus market-rate unit shall be granted for every workforce unit delivered, up to a bonus of 20 percent. Bonus market-rate units shall be comparable in size, within a 10 percent square foot margin of error, to the size of the workforce units provided. The minimum Workforce Unit sizes shall be: Efficiency: 450 square feet; 1-bedroom: 600 square feet; and 2-bedroom: 750 square feet. Bonus market-rate units may be converted to non-residential space in mixed-use developments, under appropriate circumstances. In any case, in multifamily developments, the density achieved may not exceed the high end of the planned density by more than 20 percent.
- ii. *Housing Section: Objective Two*
- Add a reference to transit centers to existing policy regarding expanding housing opportunities in or near mixed-use centers.
- iii. *Housing Section: Countywide Objectives and Policies: Add guidance stating that:*
- Affordable Housing will be provided by the Affordable Dwelling Unit Program and Workforce Housing; and

- Uniformity should be provided in the application of the administrative requirements for Workforce Housing and the Affordable Dwelling Unit Program. Permanent affordability of designated units should be the goal under each program.

iv. *Glossary:* Add “Workforce Housing”, defined as follows: Sale or rental housing units pursuant to rezoning proffers to serve households with maximum income limits. Rental housing units serve households with maximum income limits that range from up to 80 percent and up to 120 percent of the Metropolitan Statistical Area (MSA) median family income (also known as the Area Median Income (AMI)), depending on construction type. Rental Workforce Housing Units provided in wood construction have rents affordable up to 80 percent AMI and up to 100 percent AMI. Sale Workforce Housing Units in all construction types, and rental Workforce Housing Units in developments built with concrete and/or steel construction, serve households with maximum income limits that range from up to 80 percent up to 120 percent of the AMI. In return for provision of Workforce Housing units, additional development density will be made available. Eligible occupancy, sales prices and rents of Workforce Housing are controlled for a certain period of years. (See the Housing Countywide Objectives and Policies section for an example of affordable rent and affordable home sales price). The MSA median family income is determined periodically by the U.S. Department of Housing and Urban Development. Proffered Workforce Housing shall be controlled under a Workforce Housing Program or other interim measures acceptable to the Board until such time as a Workforce Housing Program is adopted as a part of the Zoning Ordinance. The purpose of a Workforce Housing Program within the Zoning Ordinance shall be the administration of the proffered Workforce Housing units.

- b. Zoning Ordinance: The Panel recommends that the following items be added to the Zoning Ordinance Work Plan:
- i. Identify possible amendments to create uniformity in the administrative requirements for the provision of Workforce Housing and the ADU Program. The potential amendments should address the income levels to be served (in “for sale” developments in all construction types, and rental developments built with concrete and/or steel construction, units should be affordable to households earning up to 80, 100, and 120 percent AMI; workforce units should be provided in three equal tiers of one-third for each of these income levels. In rental developments in wood construction units should have rents affordable at up to 80 and 100 percent AMI; Workforce Housing Units should be provided in two equal tiers of one-half each for each of these income levels.) Incomes should be adjusted for household size.

Consideration should be given to requiring that Workforce Housing units produced be affordable “long term”, which shall mean at least 30 years for both rental and for-sale units, with renewable affordability periods for both rental and for-sale units and to requiring that, as with the ADU Program, the Fairfax County Redevelopment and Housing Authority (FCRHA) should have the right to purchase up to one-third of the units produced in for-sale developments.

- ii. A proposed amendment to allow Workforce Housing as an allowed use in specific commercial and industrial districts, subject to a mechanism for review by the Planning Commission and the Board of Supervisors.
- c. Related Policy Recommendations: The Panel asks that the Board direct the staff to study the Panels recommendations concerning:
- Serving lower incomes;
 - The regulatory “toolbox” (which includes reduction/flexibility in parking requirements, decreased processing time, moderation of development fees, modification of the Zoning Ordinance to exempt square footage associated with Workforce Housing units from Floor Area Ration calculations, and tax district TIF to offset infrastructure and other development costs);
 - Land donations; and
 - Condominium fees.

The Panel asks that the Board further direct staff to make appropriate recommendations on the above for the Board’s consideration within six months of the date of this report. The Panel also suggests that the Board extend the assignment of the Panel to review these recommendations prior to their submission by the staff.

- d. Other Critical Implementation Recommendations: The Panel asks that the Board take the following steps to facilitate the immediate and long-term success of the proposed policy:
- i. Personnel: The Panel reiterates the recommendation contained in its October 16, 2006 report that the Board fund all positions necessary to successfully carry out this critically important policy. The Panel asks that the Board of Supervisors direct the County Executive to work with the heads of the Departments of Housing and Community Development, Planning and Zoning, and Public Works and Environmental Services to determine what additional staff are needed to implement this policy effectively, and to recommend to the Board appropriate funding sources for such positions.
 - ii. Interim Policy: The Panel recommends that the Board adopt an interim policy to provide for the administration of proffered Workforce Housing Units until such time as the recommended amendments to the

Comprehensive Plan and Zoning Ordinance take effect. This policy should include, among other things, price control periods, covenants, and otherwise provide for the administration of proffered Workforce Housing Units in a manner similar to the administrative provisions of Affordable Dwelling Unit program, as contained in Article 2, Part 8 of the Zoning Ordinance, to be recommended by staff. The Panel further recommends that the interim policy include the expectation that proffered Workforce Housing Units will be provided with prices/rents affordable up to 80 percent, up to 100 percent, and up to 120 percent AMI, and that the voluntarily provided Workforce Housing Units will be provided in three equal tiers of one-third each for each of these income levels, with the exception that in rental developments in wood construction units should have rents affordable at up to 80 and 100 percent AMI, and that Workforce Housing units should be provided in two equal tiers of one-half each for each of these income levels.



County of Fairfax, Virginia

MEMORANDUM

DATE: April 20, 2007

TO: Gerald Connolly, Chairman,
and Members of the Board of Supervisors

FROM: Walter L. Alcorn, Vice Chairman
Planning Commission

SUBJECT: Planning Commission Recommendations Re: High-Rise Affordability Panel
Recommendations

On Thursday, April 19, 2007, the Planning Commission voted unanimously (Commissioners Harsel, Koch and Murphy absent from the meeting) to endorse the concepts of workforce housing initiatives targeted to moderate income households making up to 120 percent of the area median income and request that the Board of Supervisors:

- 1) authorize appropriate amendments to the Comprehensive Plan as the initial step in considering recommendations of the High-rise Affordability Panel;
- 2) ask the Department of Planning and Zoning to consult with the County Attorney's Office prior to advertising and Plan amendments to ensure maximum flexibility; and,
- 3) add to the Priority One items on the Zoning Ordinance Amendment Work Program any necessary amendments to administer the proffered workforce housing units and to consider allowing affordable and workforce housing in Commercial, Industrial, and Mixed-Use Districts.

For your information, a copy of the verbatim excerpts of the Commission's action on these recommendations is attached. Should you need any additional information on the Commission's action, please contact me at 324-2865.

Attachment (a/s)

cc: Fred Selden, Director, Planning Division, DPZ
Paula Sampson, Director, HCD
John Payne, Director, Design, Development & Construction Division, HCD
April 19, 2007 Date File
O-1 File



Planning Commission Meeting
April 19, 2007
Verbatim Excerpt

HIGH-RISE AFFORDABILITY PANEL RECOMMENDATIONS ON
AFFORDABLE/WORKFORCE HOUSING

During Commission Matters

Commissioner Lusk: Thank you, Mr. Chairman. I am delighted to bring the item to the full Commission. As you are aware, the County has a very pressing need to increase the amount of available workforce and affordable housing units for residents across the various income spectrums. To assist in this effort, the Board of Supervisors created the High-Rise Affordability Panel to research and develop a set of recommendations that will enable the County to increase this much needed supply of workforce and affordable housing units in designated development centers. The joint Planning Commission and Redevelopment and Housing Authority Committee has met twice to discuss the recommendations of this panel. As defined by the panel, workforce housing would be targeted to households in Fairfax County making up to 120 percent of the Area Median Income. Their key recommendation supports a policy that a minimum of 12 percent of new multi-family units produced in the County's mixed-use development centers should be affordable, either through the Affordable Dwelling Unit Ordinance (ADUs) and/or workforce housing. An incentive should be provided under the Comprehensive Plan, which would result in one bonus unit for each workforce housing unit so long as the 12 percent minimum is achieved. In addition, the Panel supports providing affordable and workforce housing in commercial, industrial, and mixed-use districts through a mechanism, such as the special exception process or the development of a by-right prototype. The panel further supports a variety of possible regulatory and programmatic initiatives designed to facilitate the provision of affordable and workforce housing. The High-Rise Panel will be meeting with the Board of Supervisors this upcoming Monday to discuss these revised recommendations and provide the Board with comments from staff and the Planning Commission. Our joint Planning Commission committee has reviewed these recommendations and concurs with its objective to increase the supply of workforce housing in Fairfax County, again, through a variety of different measures including amendments to the Fairfax County Comprehensive Plan. As I'd indicated last night, we have distributed via electronic copy, a motion that addresses the points and concerns that were raised and agreed upon by members of the Planning Commission's Housing Committee. And at this time, I'd like to make that motion, Mr. Chairman.

Vice Chairman Alcorn: Please.

Commissioner Lusk: I MOVE THAT THE PLANNING COMMISSION ENDORSE THE CONCEPTS OF WORKFORCE HOUSING INITIATIVES TARGETED TO MODERATE INCOME HOUSEHOLDS MAKING UP TO 120 PERCENT OF THE AREA MEDIAN INCOME AND REQUEST THAT THE BOARD OF SUPERVISORS UNDERTAKE THREE ITEMS: 1) AUTHORIZE APPROPRIATE AMENDMENTS TO THE COMPREHENSIVE PLAN AS THE INITIAL STEP IN CONSIDERING RECOMMENDATIONS OF THE HIGH-RISE AFFORDABILITY PANEL; 2) ASK THE DEPARTMENT OF PLANNING AND ZONING TO CONSULT WITH THE COUNTY ATTORNEY'S OFFICE PRIOR TO

ADVERTISING ANY PLAN AMENDMENTS TO ENSURE MAXIMUM FLEXIBILITY;
AND, 3) ADD TO THE PRIORITY ONE ITEMS ON THE ZONING ORDINANCE
AMENDMENT WORK PROGRAM ANY NECESSARY AMENDMENTS TO ADMINISTER
THE PROFFERED WORKFORCE HOUSING UNITS, TO CONSIDER ALLOWING
AFFORDABLE AND WORKFORCE HOUSING IN COMMERCIAL, INDUSTRIAL, AND
MIXED-USE ZONING DISTRICTS.

Commissioners Sargeant and de la Fe: Second.

Vice Chairman Alcorn: Seconded by Commissioners Sargeant and de la Fe. Is there a discussion on that motion? Okay, I just want to say I'd actually had the privilege of serving on that High-Rise Panel. It was a long time coming, I'm afraid, but after getting through a lot of the details and compromising a lot back and forth, I think the concept is there. Now that doesn't mean we don't have anything more to do. As a matter of fact, we're going to have a lot to do here on the Commission as the actual Plan language comes back and comes through the Commission. So, we'll be sweating the details ourselves, but this is a big step and I look forward to this going on to the Board. All those in favor of the motion, please say aye.

Commissioners: Aye.

Vice Chairman Alcorn: All those opposed? The motion carries.

Commissioner Lusk: Mr. Chairman?

Vice Chairman Alcorn: Yes, Mr. Lusk.

Commissioner Lusk: I'd also like to thank the members of the Planning Commission's Housing Committee for their work on this. We had again, a series of meetings, spirited discussion. I think working with Mr. Rau and specifically you, Mr. Alcorn, I appreciate what you were able to do with the High-Rise Affordability Panel. We did have a series of recommendations that in their original iteration drew a number of concerns relative to the bonus density. I think we were able to now achieve a series of recommendations that are going to be a lot more palatable to the communities. And I'm looking forward also to seeing the revisions to the Policy Plan and also seeing the amendments to the Zoning Ordinance as they come through for our review and consideration. So with that, thank you.

Vice Chairman Alcorn: Thank you, Mr. Lusk.

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(The motion carried unanimously with Commissioners Harsel, Koch, and Murphy absent from the meeting.)

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