DRAFT September 1, 2022

Guidelines for Affordable Housing Preservation

ADD: Fairfax County Comprehensive Plan, 2017 Edition, Policy Plan, Housing Element, as amended through February 23, 2021, Appendices, page 12:

"<u>APPENDIX 2</u>

GUIDELINES FOR AFFORDABLE HOUSING PRESERVATION

Fairfax County has a significant stock of privately-owned market-affordable multifamily rental properties, which is shrinking due to rental market price increases, repositioning, renovation, and redevelopment of the affordable units. Preservation of affordable units when infill development or redevelopment (see Plan Glossary for definitions of "infill" and "redevelopment") occurs is one tool for the County to utilize in achieving no net loss of affordable units.

Market-affordable multifamily rental housing properties include four or more units with average rents considered to be affordable to households earning 60 percent of the Area Median Income (AMI) and below, in which the rents are not regulated but are set by the private property owners. Absent any long-term affordability commitments, market-affordable developments can be lost to redevelopment or repositioning of the asset, leading to the displacement of existing residents and to community fragmentation. The County has committed to a goal of no net loss of these market-affordable units, and should preserve the affordability of market-affordable multifamily rental housing units to the extent practicable.

Committed affordable multifamily rental housing properties include units with restrictions to serve households earning 80 percent AMI and below. The rents of privately-owned committed affordable units, which are controlled by deed restrictions, zoning requirements, or other similar restrictions, are for terms generally in the range of 15 to 50 years. As terms expire, committed affordable units will be at risk of being converting to market rate units. The County should extend expiring affordable commitments of units, such as those under the County's Affordable Dwelling Unit (ADU) Ordinance and Workforce Dwelling Unit (WDU) Policy, with the goal of one-for-one replacement of affordable units.

The departments of Housing and Community Development and Planning and Development should evaluate the potential for one-for-one replacement in any proposed development or redevelopment of market and committed affordable units based on the unit type and size, income levels served, and total unit counts, as well as other county goals such as revitalization of an area. While the objective is no net loss of affordable units, it is recognized that this may not be fully possible in all circumstances. In these situations, deviations from the one-for-one replacement goal and/or additional public and private resources for affordable housing may be evaluated. Any residential development proposal seeking to preserve units through redevelopment would not need to provide additional workforce dwelling units per Appendix 1, provided that the number of preserved units exceeds that which would otherwise be expected under the WDU policy.

Additional Residential Density/Intensity

Additional residential densities or intensities above the Plan recommendation may be considered in development proposals that commit to long-term preservation (30 or more years), as an incentive to preserve or replace existing affordable multifamily rental housing units. The potential benefit of the preservation relative to the number and type of units preserved, the income levels served, and/or the strategic importance of the units relative to other factors, such as transit accessibility or financial feasibility of the preservation should be considered as part of any proposed development seeking additional density or intensity. The appropriate amount of additional density or intensity will be determined on a case-by-case basis based on the ability of the project to meet the following performance criteria as well as other applicable site-specific and countywide recommendations of the Comprehensive Plan. Except where otherwise noted in the Area Plans, the additional density or intensity provided in a development in adherence to this policy is excluded from the plan's maximum density or intensity recommendations. Additional density or intensity will have to meet the Zoning Ordinance standards, including maximum density or intensity with applicable bonuses.

Development projects seeking the additional density or intensity should demonstrate that compatibility with existing and planned surrounding development should be achieved in accordance with Objectives 2, 8 and 14, as well as Appendix 9, of the Land Use Element of the Policy Plan. High quality building and site design, and transitions between uses are essential to achieve a compatible land use relationship and mitigate impacts between uses. Building height above the recommended maximum designated in the Area Plans should only be considered if necessary to accommodate the inclusion of the additional density or intensity needed to accommodate preservation.

The analysis of the proposals also should demonstrate that impacts to the environment, schools, parks, heritage resources, transportation systems, and other public facilities, including from additional density or intensity, will be addressed."