

CONVERSATION QUESTIONS

These questions are for the Table Dialogue and the Plenary Session that follows:

1. How important are developer contributions to helping Arlington achieve its affordable housing goals? Should affordable housing be incorporated as a community benefit on **all** site plan projects, or do some exceptions exist that can be defined and considered?
2. How do we best serve Arlington's affordable housing goals with developer contributions for affordable housing?
 - Should contributions be on-site units, off site units, or cash? Why?
 - Should the definition of affordable be broadened to include either above and/or below our current benchmark, 60% of median income?
 - Should the focus be on preservation of the existing stock of affordable units or developing new affordable housing?
 - With all of these choices, how can we achieve the best value with available affordable housing resources?

**EXISTING COUNTY HOUSING GOALS AND TARGETS AND POLICY DIRECTION FROM
GUIDELINES RELATING TO QUESTION #2**

Goal #6: Distribute committed affordable housing within the County, neighborhoods, and projects.

Target 6A: Distribute non-elderly rental committed affordable housing units added in the following Neighborhood Service Areas (NSAs) between FY2001 and FY2010:

- ± 25% in A, B, and C,
- ± 60% in D, E, and H, and
- ± 15% in F and G.

These Targets are not to be construed as caps or quotas, nor to limit the ability to take advantage of projects in any area of the County to advance other affordable housing goals.

Target 6B: Provide that two-thirds of the large non-elderly projects developed with affordable units between FY 2001 and FY2010 would have less than half of their units serving households with incomes below 60% of the median income.

Excerpt from Affordable Housing Guidelines Board Report:

4. Direct the County Manager to develop implementation procedures for the Affordable Housing Guidelines for Site Plan Projects.

A number of implementation issues have been raised in the discussion of the Guidelines. Upon adoption of the Guidelines, staff will develop implementation procedures in consultation with the Housing Commission. Some of the major items to be developed with the Housing Commission are as follows:

Off-Site Affordable Housing: The policy goal is to achieve newly committed affordable units. As an alternative to on-site units, preservation of newly committed off-site affordable units of equivalent value may be considered, especially if such units can be provided in perpetuity in partnership with non-profit housing providers. Factors that may be considered in evaluating off-site units include the following:

- An ability to facilitate and expedite relocation of tenants from existing affordable housing on the development site and minimize disruption of their lives;
- Excessive per-unit subsidy for committed affordable units, applied primarily to ownership products (such as subsidies greater than 100% of the affordable sales price);

- Inefficiency of managing too few on-site units (such as fewer than 10 rental units);
- An opportunity to advance other affordable housing goals, such as more units, permanent units, and a better unit mix.
- It is preferred that off-site units be provided in the same Metro station area of the project; off-site units must be provided within the same Metro corridor in order to achieve the goal of mixed-income neighborhoods. The option of off-site units is intended to stimulate the development community to develop creative solutions for preserving limited, lower density affordable housing in the Metro corridors and to offer developers flexibility in meeting the Guidelines.

Contribution In Lieu of New or Newly Committed Affordable Housing: In certain, exceptional circumstances, the County Board may determine that on-site or nearby off-site units are not appropriate and the County Board may consider accepting a financial contribution at least equal to the value of on-site housing meeting the 10% GFA standard in the Metro Corridors.

A contribution received for affordable housing would be used for the creation of new or preserved units using the County's housing partners. When the County Board decides that it is in the best interest of the community to accept a contribution, preference for its use will first be in the same Metro station area as the project contributing the funds (or walking distance thereto) and secondly in the same transportation corridor as the development (or walking distance of that corridor). When there is a compelling opportunity to meet other affordable housing goals, the County Board may consider projects elsewhere in the County. Determination of the contribution amount is subject to further review. Alternative methodologies will be reviewed with the Housing Commission and a report made to the County Board by July 1, 2004.

GFA Calculation: The affordable housing GFA should have the same ratio of net leasable or net saleable area to total area as the market-rate component of the project, taking into account "normal" GFA exclusions in site plan projects. There has been a debate on whether to use gross or net GFA. The issue is moot as long as the same definition of gross floor area is used to calculate the overall building and affordable units.

Transitional Projects: Guidelines adopted by the County Board should apply to site plan projects filed on or after April 22, 2004. An alternative affordable housing contribution will be negotiated for projects filed or considered prior to this date and Phased Development Site Plans (PDSPs).

Alternative Community Benefits: While affordable housing is clearly established as the County's highest priority benefit, the County Board may conclude that other benefits are more compelling to the community for a limited number of projects that have been identified through the County's various planning processes. It is important to state explicitly that the County Board retains this discretion: For example, we are currently negotiating for a conference center in Pentagon City and expect to achieve a

major park as part of Central Place in Rosslyn, a black box theatre as part of the Virginia Square sector plan, and a cultural center as part of the Court House sector plan. In adopting the Guidelines, the County Board is saying unambiguously that affordable housing is the County's top priority. At the same time, there may be a limited number of circumstances whereby the County Board, through its planning processes, determines that another community benefit may be more compelling for a specific project. Staff will develop a list of such circumstances as they are currently known (drawn primarily from Sector Plans) and submit a report to the County Board by July 1, 2004. This work will be done in consultation with the Planning Commission.

Accessibility for Persons with Disabilities. Affordable units shall meet accessibility requirements no less than that required under the Fair Housing Act and Virginia law.