



Affordable Housing Ordinance Review Arlington County Zoning Ordinance §15.5.8.

It's all about the base

*Housing Commission
March 9, 2023*

Affordable Housing Ordinance

Overview

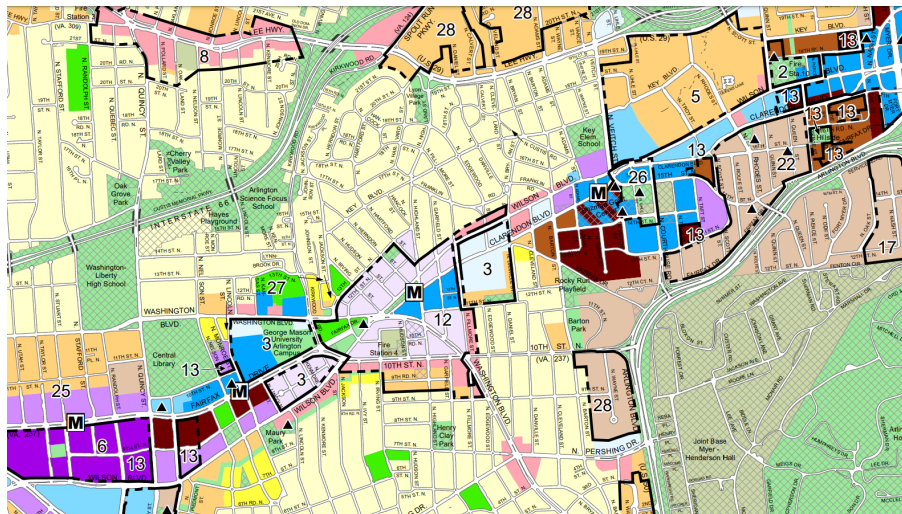
- Arlington's Land Use Planning Environment
- History
- Substance
- Results
- Analysis

Affordable Housing Ordinance - Land Use Environment

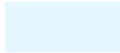
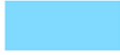

General Land Use Plan Designation

- The plan establishes the overall character, extent and location of various uses and serves as the guide for decision-making related to future development.
- The GLUP map conveys guidance through land use designations, which indicate a range of densities and typical uses for a particular location.




Policy



Office-Apartment-Hotel

	Office Density	Apartment Density	Hotel Density	
 Low	Up to 1.5 F.A.R.	Up to 72 units/acre	Up to 110 units/acre	C-O-1.5, C-O-1.0
 Medium	Up to 2.5 F.A.R.	Up to 115 units/acre	Up to 180 units/acre	C-O-2.5
 High	Up to 3.8 F.A.R.	Up to 4.8 F.A.R.	Up to 3.8 F.A.R.	C-O, C-O Crystal City, C-O Rosslyn, RA-H-3.2

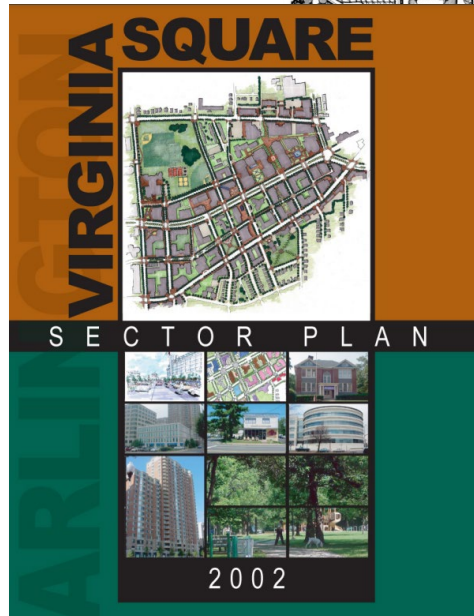
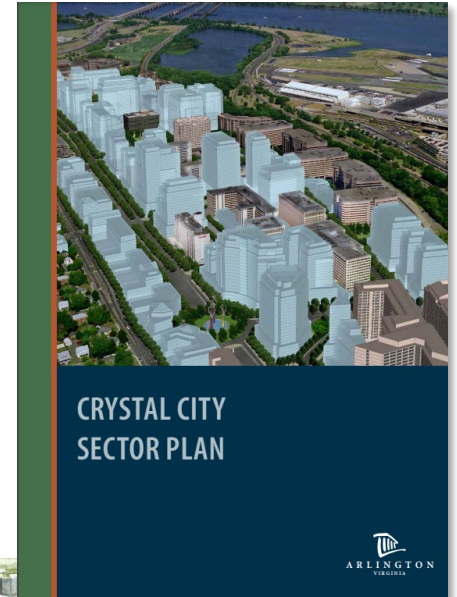
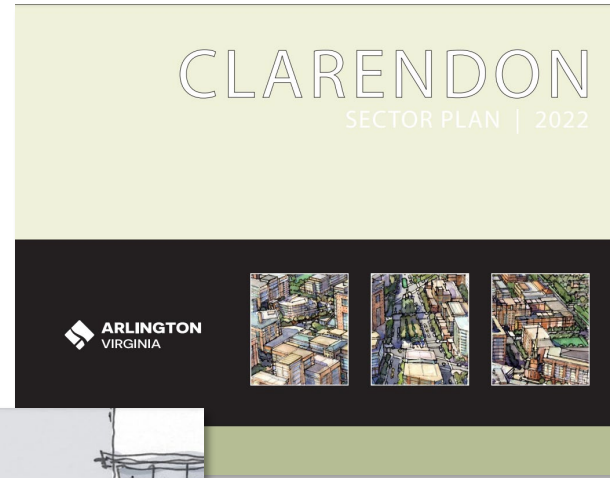
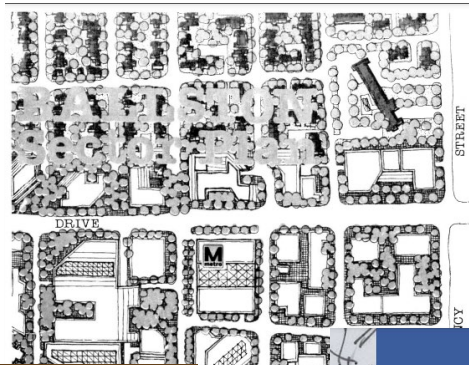
Mixed Use

 Medium Density Mixed-Use	Up to 3.0 F.A.R. with special provision for additional density within the "Clarendon Revitalization District" (See Note 12) and the "Special Coordinated Mixed Use District" for East End of Virginia Square (See Note 3)	C-R, C-3, MU-VS
 High-Medium Residential Mixed-Use	Up to 3.24 F.A.R. including associated office and retail activities.	R-C
 Coordinated Mixed-Use Development	This is a high density mixed-use district with actual density determined by site size. Up to 6.0 F.A.R. with office not more than 3.0 F.A.R.	C-O-A

Affordable Housing Ordinance - Land Use Environment

Sector and other Area Plans

**More
Policy**



Affordable Housing Ordinance - Land Use Environment

Arlington County Zoning Ordinance

Law

Zoning Designations

- Regulates land uses; lot size and coverage; building height, bulk and siting; parking requirements; and density for each district. Each district allows a certain type of development, and **some districts may allow special exceptions through the use permit or site plan process.**

By-right – Administrative approval (by staff)

Use Permit

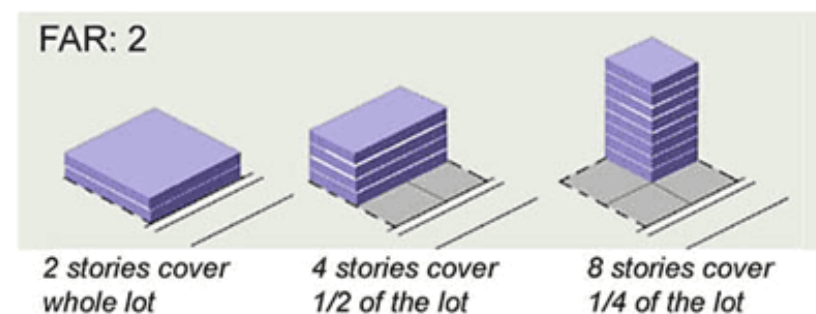
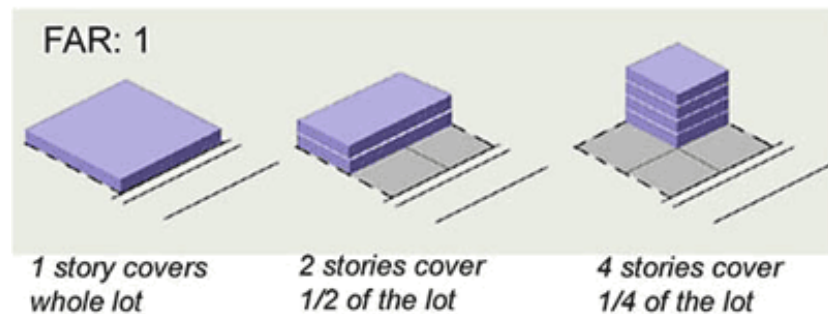
Site Plan

Discretionary approval by the County Board with specific conditions attached

Affordable Housing Ordinance

Useful Terms (A key to zoning speak a.k.a. jargon)

- GFA = Gross Floor Area (§3.1.1.C.)
 - Gross floor area is the sum of the area of the horizontal surface of the several floors of a building measured from the exterior faces of exterior walls, to include all floor area not defined as gross parking area.
- FAR = Floor Area Ratio (§3.1.5.)
 - Floor area ratio is the gross floor area of all buildings on a lot divided by the lot area.



Affordable Housing Ordinance - History

- 2000 Affordable Housing Roundtable and affordable housing policy.
- Target 3d “Encourage for-profit developers to provide at least 10% of all new units in residential site plan projects as affordable”
- April 2004, County Board adopts “Affordable Housing Guidelines for Site Plan Projects”
- Kansas Lincoln, LLC vs. Arlington County Board (December 2004)
- Housing Roundtable II (2005)
- County Board Adoption of the Affordable Housing Ordinance in December 2005
- Codified by the Virginia Legislature in 2006

Affordable Housing Ordinance

What is it?

A section of the zoning ordinance that defines affordable housing contributions for site plan developments

Where is it?

Section 15.5.8 of the Arlington County Zoning Ordinance

What types of projects does it apply to?

- Site plan projects
- FAR exceeds 1.0
- Residential and Commercial Uses

Affordable Housing Ordinance

- Zoning Ordinance §15.5.8 “Affordable dwelling units for increased density within the zoning district regulations”
- Provides four methods for compliance.
 1. On-Site = 5% GFA above 1.0 FAR
 2. Off-Site Nearby = 7.5% GFA above 1.0 FAR
 3. Off-Site Anywhere – 10% GFA above 1.0 FAR
 4. Cash Contribution
- The means of compliance is **entirely** up to the developer

Affordable Housing Ordinance

- The cash contributions are based on the amount of building area up to the maximum FAR of the corresponding zoning district
- The applicable rates are tiered and adjusted annually
- Indexed to Consumer Price Index for Housing in the Washington-Baltimore MSA as published by the Bureau of Labor Statistics
- The contribution amount is established based on the date of the site plan application acceptance and is paid to the County when the certificate of occupancy is issued.

	FAR	Commercial	Residential
2023 Rates	1.0 FAR	\$2.26/Sq. Ft.	\$2.26/Sq. Ft.
	1.0 – 3.0 FAR	\$6.05/Sq. Ft.	\$6.05/Sq. Ft.
	3.0 – 5.0 FAR	\$6.05/Sq. Ft.	\$12.12/Sq. Ft.

Affordable Housing Ordinance – In Practice (On-Site Units)

Hypothetical Example

- Site Area = 50,000 SF
- Project GFA = 162,000 SF
- FAR = 3.24

Zoning district allows for up to 3.24 FAR by site plan

1.0 to 3.24 FAR

$112,000 \text{ SF} \times 0.05 = 5,600 \text{ SF}$
Estimate of **8 units***

1.0 FAR

50,000 SF Exempt



*Based on average unit size of 700 Square Feet

Affordable Housing Ordinance – In Practice (Cash In Lieu)

Hypothetical Example

- Site Area = 50,000 SF
- Project GFA = 162,000 SF
- FAR = 3.24

Zoning district allows for up to 3.24 FAR by site plan

3.0+ FAR (.24)	$12,000 \text{ SF} \times \$12.12 = \$145,440$	}
1.0 – 3.0 FAR	$100,000 \text{ SF} \times \$6.05 = \$605,000$	
1.0 FAR	$50,000 \text{ SF} \times \$2.26 = \$113,000$	
	<u>\$863,440</u>	



Affordable Housing Ordinance

Developers Choices regarding options for compliance

Compliance Options	
On-Site Units	8 units (estimate) = 5,600 SF
Off-Site Nearby	12 Units (8,400 SF)
Off-Site	16 units (11,200 SF)
Cash Contribution	\$863,440

The means of compliance is **entirely** up to the developer

Affordable Housing Ordinance - Results

Results 2006-2022

- **\$63 million in developer contributions to AHIF received**
 - \$15.7 million from commercial development
 - \$47.3 million from residential development
- **\$43.8 million in approved site plans yet to deliver**
- **30 onsite units in 4 site plans**
 - Founder's Square (15 units)
 - Sedona | Slate (13 units) –SAHPD
 - 2021 Pershing (1 unit)
 - Verde Pointe (1 unit)

Affordable Housing Ordinance - Results

Affordable Housing Ordinance



AFFORDABLE
HOUSING STUDY

Cash Contributions vs. Units

**1 On-Site CAF = 3.2 AHIF financed CAFs
Elsewhere**



Affordable Housing Ordinance – Financial Analysis

How does the cash contribution option compare to the cost of the option for onsite units?

The analysis found that the formula for cash contribution is about one-third to one-half of the estimated value of providing on-site units.

Affordable Housing Ordinance

Coming soon....

Beyond the Base



An Expanded Approach to an Equitable, Stable, Adaptive Community

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