



ARLINGTON
VIRGINIA

Affordable Housing Study

Strategies Task Force

**Meeting #3 – Development Review
Process, Partial Property Tax
Exemption, Preservation Loan Program**

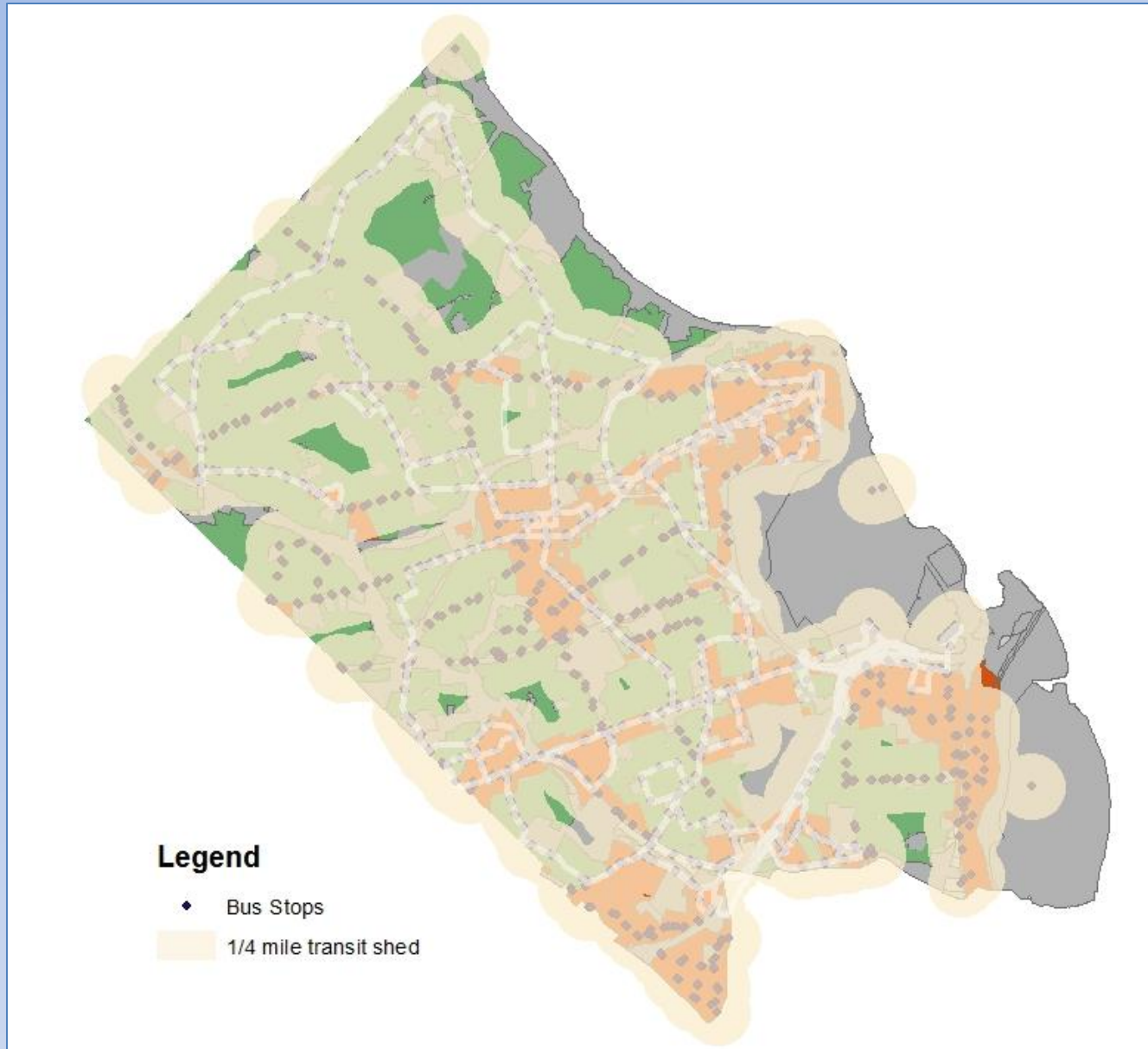
January 21, 2013

Draft Recommendations from Jan. 7 Meeting

➤ **Transit Oriented Affordable Housing Fund (TOAH)**

- Existing TOAH – Helps pay for infrastructure & County fees for Low Income Housing Tax Credit (LIHTC) applicants on Columbia Pike
- Recommendation – Create similar County-wide program for tax credit projects near transit
 - i.e. eligible projects must be located within ½ mile of an existing commuter rail, light rail or subway station or ¼ mile of an existing public bus stop
(from 2014 Tax Credit Manual)

Comparison of Bus Stops and ¼ Mile Transit Sheds



Draft Recommendations from Jan. 7 Meeting

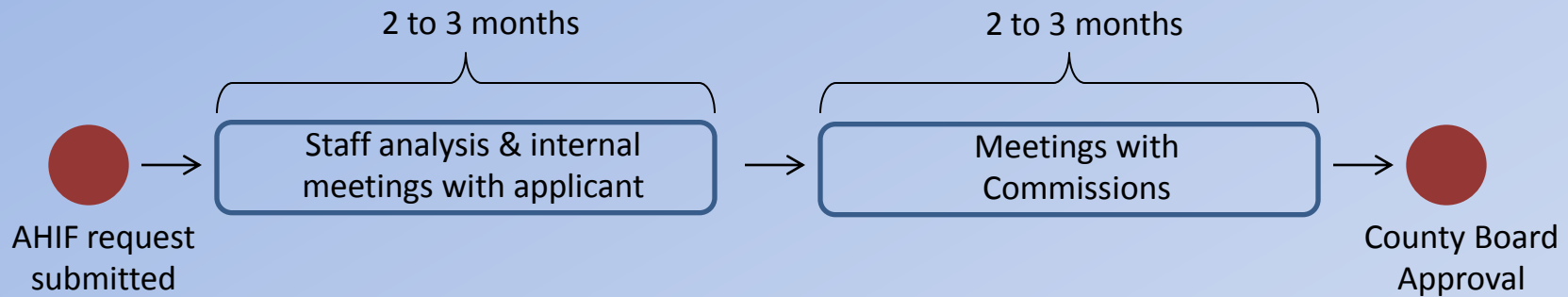
➤ Parking

- Recommendation – Conduct a residential parking study with a specific focus on right-sizing parking for affordable housing developments
 - Include guidance on how Transportation Demand Management (TDM) measures such as car-sharing, bus/metro passes, etc. can reduce amount of needed parking spots
 - Include information on car ownership data for low income residents
 - Survey parking lot utilization at affordable properties

Development Review Process Overview

- Approval Process Components
 - Affordable Housing Investment Fund (AHIF) Process
 - Site Plan Process
 - FBC Process
 - Building Permit Process

AHIF Approval Process



➤ Approval in typically 4 to 6 months

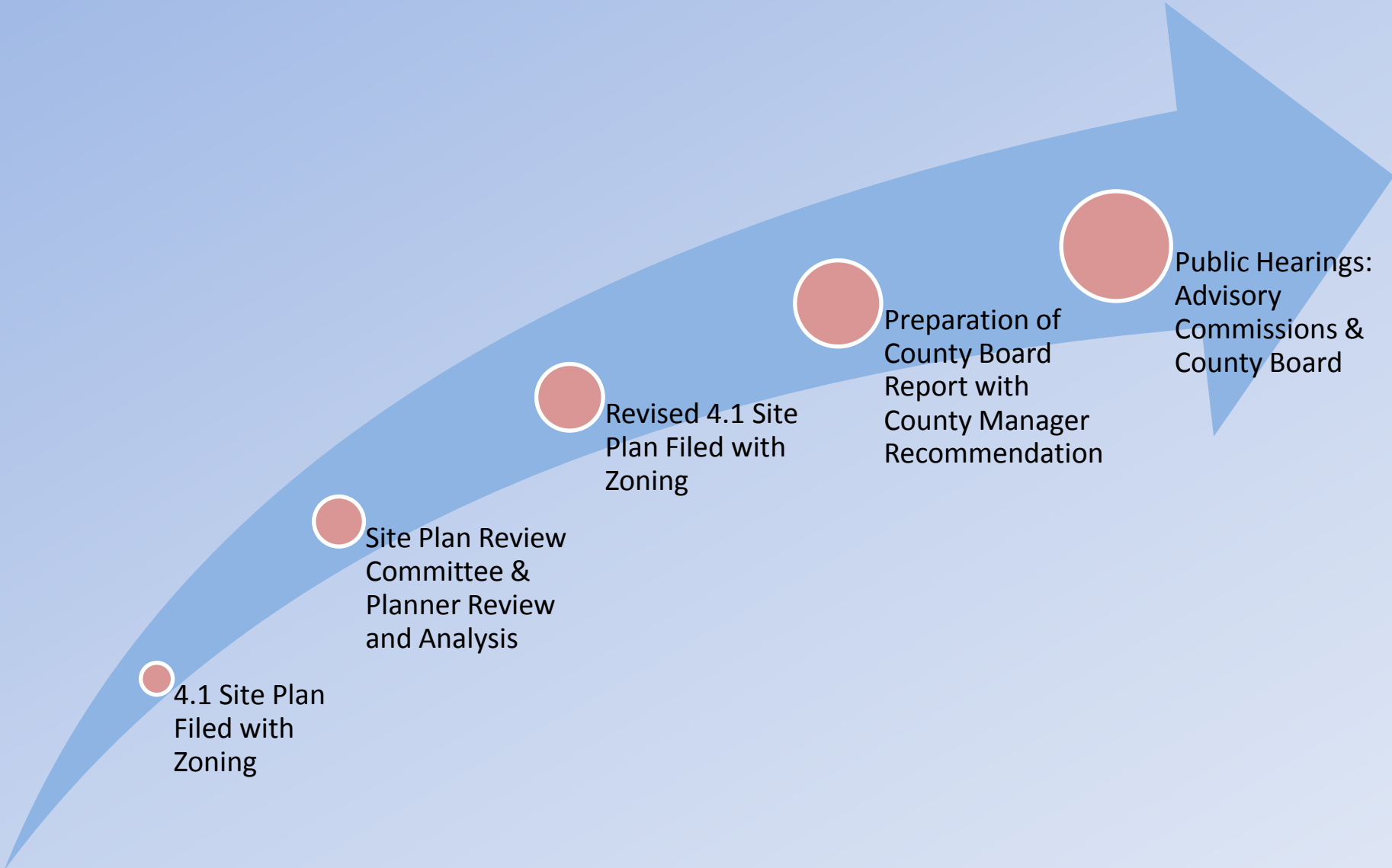
➤ Meetings

- Housing Commission - Information Item
- Housing Commission - Action Item
- Bricks and Mortar – Housing Commission Subcommittee
- Tenant-Landlord – Only if there is tenant relocation
- Community Development Citizens Advisory Committee (CDCAC) – Only if federal funds are used

Site Plan Process

- Site Plans are alternative to by-right development - generally offer additional density
- Heard by County Board no earlier than 120 days from submission
 - On average take 120 days to 240 days
- Avg. of 4-5 Site Plan Review Committee Meetings (SPRC)
 - Additional SPRC meetings are held when there are design or policy issues
 - Planning is currently undertaking a process to review the efficiency of SPRC process – recommendations expected this summer

Site Plan Process



4.1 Site Plan
Filed with
Zoning

Site Plan Review
Committee &
Planner Review
and Analysis

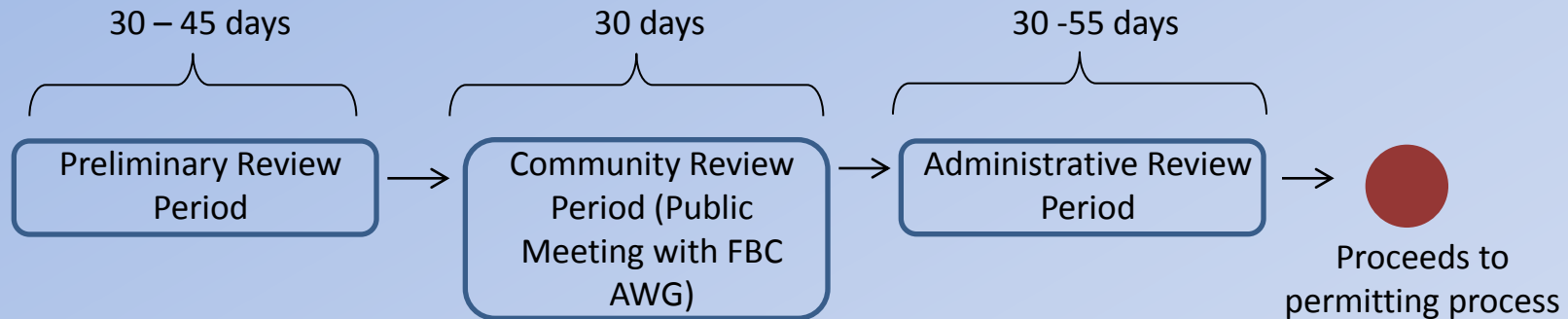
Revised 4.1 Site
Plan Filed with
Zoning

Preparation of
County Board
Report with
County Manager
Recommendation

Public Hearings:
Advisory
Commissions &
County Board

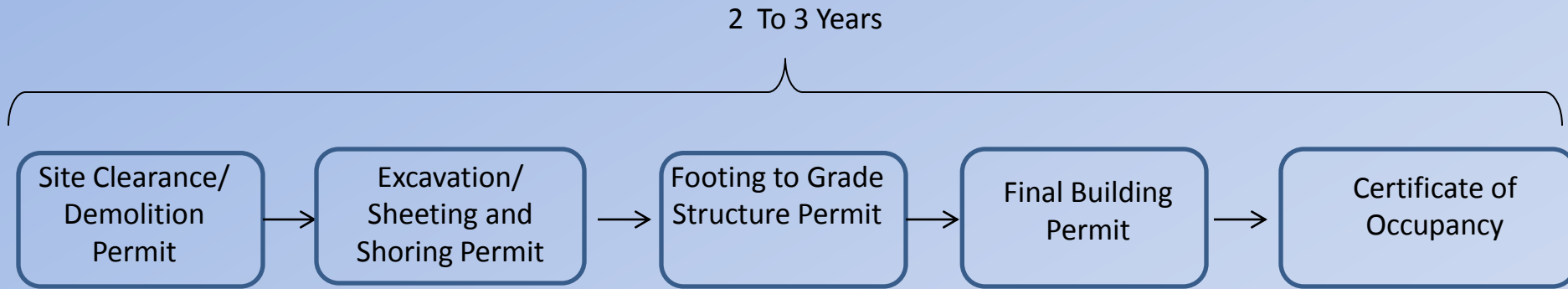
Columbia Pike Form Based Code Process

FBC By-Right Option



- Sites requiring modifications to FBC, Transfer of Development Rights, or bonus height must go through special exception use permit process
 - Additional meetings and review time required
 - Could add ~2 or more months to process

Building Permit Process



- Approval timeline is dependent on compliance with site plan conditions, approval from state or federal agencies (if needed), general construction timelines and County staff resources
- Currently exploring opportunity to collapse process (obtain all permits at one time) for affordable housing developments
- Fast Track Options
 - Would be difficult without additional staff

Development Process Discussion

- Should affordable housing developments have a separate or streamlined process?

- What ways can the County create a faster process?
 - Less meetings? If so, which meetings should be cut?
 - Hire additional staff?
 - Other?

Partial Property Tax Exemption

Exempts the *increase* in assessed value of the improvements that result from rehabilitation, renovation, or redevelopment.

Multi-family Rehabilitation Partial Tax Exemption

- County-wide – 15-year exemption (years 10-15 exemption decreases by 20% each year)
- Assessed building value must increase by 20% or more
- Square footage cannot increase more than 30%
- No affordability requirements

Nauck Village Center Special Revitalization District Partial Tax Exemption (Sunset December 2012)

- At least 20% of the units must be affordable up to 60% AMI for full exemption (years 10-15 exemption decreases by 20% each year)
- No limits on the increase in size

Columbia Pike Partial Property Tax Exemption

New partial tax exemption tool which allows an exemption on the increase in building value in exchange for at least 20% of the units affordable at 80% AMI or below.

- County Board Action in Spring
- Would be challenging to incentivize at 60% AMI
 - Tax exemption would need to cover “forgone rent”
 - \$1 in exempt value = ~\$0.10 in tax benefit
- One-time income verification
- Lock-in affordability for 15-years
- Projects developing under Form Based Code required to do additional affordable units

Partial Property Tax Exemption - Discussion

- Amend County-wide Multi-family Rehabilitation Partial Tax Exemption to include affordability requirements?
 - What percentage of units should be affordable?
 - Affordable at 60% AMI? At 80% AMI?
 - Include full 15-year exemption (as opposed to a 20% step-down for years 10-15)?
 - Require annual or one-time income verifications?
 - Place cap on amount of assessed value exempted per year?
 - Other issues, concerns, benefits?

Affordable Housing Preservation Loan Program (AHPL)

- Columbia Pike Tool
 - County Board Action in Spring
- Purpose to help existing Market Rate Affordable Units (MARKS) maintain affordable rents and pay for moderate renovations.
 - Below market rate interest loan
 - Must provide units affordable at 80% AMI or below for 15-years
 - Intended for those who do not want to add density and enter the Form Based Code (FBC) process.
 - One-time income verification

Affordable Housing Preservation Loan Program (AHPL)

➤ Discussion

- Create County-wide AHPL?
 - Issues?
 - Concerns?
 - Benefits?

- Next Meeting Date – Feb. ? at 6:15 PM
 - Topics: Transfer of Development Rights, Affordable Housing Bonus Density Tool, Zoning