

BACKGROUND, PURPOSE, AND PREVIOUS ACTIVITIES RELATED TO ZONING FOR HOUSING AND HOUSING FOR ALL

This attachment reviews the origins of the “Zoning for Housing” and “Housing for All” initiatives, including the analysis and policy determinations establishing the need, previous actions that identified initiatives to be included under the “Zoning for Housing” umbrella, outreach that has occurred, and initiatives that have already been adopted.

“Zoning for Housing” and “Housing for All Purpose” Statements

The purpose of the Zoning for Housing Program is to examine potential new regulatory initiatives designed to help the City in its effort to expand housing production and affordability; in addition, it is also intended to examine and address existing zoning provisions which may pose regulatory barriers to housing options, affordability and fair housing or which, through remnants of terminology stemming from past discriminatory policy, have potentially added to impediments to fair housing. The purpose of the Housing for All Equity Program is to provide a program that helps Alexandria together: (a) learn the extent of past discriminatory housing policies and their impact today on quality-of-life factors for populations of color and/or low income and (b) understand the process by which Alexandria can help ensure residual effects of past exclusionary housing provisions can be countered in new policies through setting of equity goals and metrics.

2014-2025 Housing Master Plan Housing

The [2014-2025 Housing Master Plan \(HMP\)](#) is the City’s primary housing policy document to facilitate a variety of housing options for all incomes and, in particular, households of low- and moderate-incomes in need of affordable housing. Innovative new construction, preservation, rehabilitation and zoning regulations are among the strategies and programs to help implement the HMP. Partnerships with homeowners, private developers; non-profit developers; and state, federal, private and nonprofit funders are highly emphasized and encouraged under the HMP.

Alexandria’s Existing Affordable Housing Need

The strategies and programs within the HMP are again designed to facilitate housing for all incomes but, in particular, for households of low- and moderate-incomes. Alexandria’s 2022 population is approximately 163,400 with approximately 71,500 households. City and federal U.S. Census data documents 15,000 Alexandria households are paying more than the federal standard of 30 percent of income on housing. Additionally, nearly half of those households with incomes up to \$50,000 are paying more than 50 percent of their income on housing. The HMP established a goal of creating 2,000 units with new affordability through the ten-year HMP period. As of March 2022, 1,476 units had been constructed or preserved, 106 units were under construction, and 1,042 new or preserved units were in the pipeline. The City is pleased with the progress achieved in terms of meeting that goal, recognizing it has been in partnerships with the non-profit sector, the private sector and the community.

Alexandria’s Projected Housing Need

While progress under the HMP is occurring, the City acknowledges that more is yet to be done based on the extent of the existing and projected affordable housing need in the City. The

Metropolitan Council of Government's (COG) September 2019 [Future of Housing in Greater Washington Report](#) shows that 75,000 units of new housing is needed across the region between 2020 to 2030 to meet projected growth in jobs and population during that period. COG proposed and adopted a Regional Housing (RHI) in response to their 2019 Report and requested member jurisdictions to set an annual housing production target beyond what they would normally set annually in order to share in the effort to address this need over the current decade. The RHI also asks jurisdictions to allocate 75 percent of the new units under their RHI target to households of low- and moderate-incomes and locate them near activity and transit centers.

More recently, approximately 800 units of new housing have been produced annually in Alexandria with approximately three quarters as market rate units and one quarter as affordable. In March 2020, the City Council endorsed the RHI and set a target of approximately 300 additional units per year between 2020 to 2030 for a total of 11,000 units, market and affordable, during that period. Of the additional 300 units per year (anticipated total of 3,000 units as Alexandria's RHI target), the City is aiming for 75 percent as affordable (2,250). With the advent of several large scale mixed-use projects on the horizon in Alexandria, it is important that the City continue to help facilitate access to affordable housing for workers who are here already supporting our economy and prepare for workers who will come and be needed to support flagship projects such as the 50-acre Landmark Mall redevelopment project, the 18-acre Potomac River Generating Station redevelopment project, the Oakville Triangle project area, and Potomac Yard redevelopment with the Metro Station and Virginia Tech Innovation Center anticipated. Office; institutional uses such as schools, hospitals and research facilities; housing; retail; and services to serve those areas, and the City, are anticipated under these projects.

Washington DC Metropolitan Median Area Housing Costs

Alexandria is located in a high-cost area; like most places across the country, incomes over the past decades, have not kept pace with rents here; and, also like most places in the country, COVID and inflation have further impacted the cost of living here. For hourly wage employees this is particularly hard and leaves those households, with limited funds, after meeting housing costs, to spend on other living necessities related to transportation, food, health care, childcare, education and extra-curriculum activities for youth. That is a harsh reality for many wage workers even with two people within a household working two part-time or two full-time jobs each, This is impactful to the lives of those workers as they actively help support the Alexandria economy through their jobs. Simultaneously, Alexandria recognizes that if it is to sustain a strong and diverse economy, which is one of the goals under the City's Strategic Plan, it is important to support it with an adequate hourly and salaried work force and to be able to offer housing options that are varied, safe, decent, affordable for a households of different incomes and located near multi-modal transit, services and institutions, amenities and, in close proximity to jobs, cutting down on commute time, transportation costs, congestion and air pollution. All of those factors not only support Alexandria's economy but the overall quality of life here for everyone.

Table 1: 2022 Area Median Household Incomes for DC Metro Area

Income range	1-Person	2-Person	3-Person	4-Person
40% AMI	\$39,880	\$45,560	\$51,240	\$56,920
50% AMI	\$49,850	\$56,950	\$64,050	\$71,150
60% AMI	\$59,820	\$68,340	\$78,860	\$85,380
70% AMI	\$69,790	\$79,730	\$89,670	\$99,610
100% AMI	\$99,700	\$113,900	\$128,100	\$142,300

Source: HUD 2022

Zoning for Housing 2020 to 2021

The Zoning for Housing Program is a multi-departmental effort led by the Department of Planning & Zoning (P&Z) to help support the HMP in strategies and programs to meet the City's housing needs and in particular its RHI targets over the ten-year period extending from 2020 to 2030.

More specifically, as stated earlier in this memorandum, the purpose of the Zoning for Housing Program is to examine potential new regulatory initiatives designed to help the City in its effort to expand housing production and affordability; in addition, it is also intended to examine and address existing zoning provisions which may be regulatory barriers to housing options, affordability and fair housing or which, through remnants of terminology stemming from past discriminatory policy, may add to impediments to fair housing.

In winter-spring 2019 to 2020, after generating a list of potential regulatory initiatives to study under Zoning for Housing, City Council recommended that staff draft a Prioritization Phasing Plan. The draft 2020 Zoning for Housing Prioritization Phasing Plan divided the initiatives into three phases across three fiscal years during which they would be studied. The concept of Zoning for Housing and/or the draft 2020 Prioritization Plan, with the initiatives to study, were presented to several community groups and to the Planning Commission in winter-spring 2019 to 2020. Additionally, an update to the City Council occurred in March 2020 with further updates to the City Council through briefings in May 2020 on the draft 2020 Zoning for Housing Prioritization Plan. A final draft of a Three-Phased Prioritization Plan for Zoning for Housing was taken to City Council in July 2020 as part of the FY 2021 Long Range Planning Interdepartmental Work Program. In April 2021, a P&Z written update and in August 2021 oral updates, through briefings, were provided to the City Council on the three-Phased Prioritization Plan for Zoning for Housing. Attachment 1 – Early 2020 Outreach on a Draft Prioritization Plan for Zoning for Housing and Attachment 2 – July 2020 Final Draft of a Three-Phased Prioritization Plan for Zoning for Housing.

Zoning for Housing Fiscal Years: FY 2021, FY 2022 and FY 2023

Several items under Phase I of Zoning for Housing were adopted early under Practical Zoning Ordinance Updates brought forward to the Planning Commission and then City Council subsequent to the City Council's endorsement of the 2020 Three-Phase Zoning for Housing Prioritization Plan. Examples include Zoning Text Amendments to the definition of medical care facility to align with current business models for health care facilities which are neighborhood-serving and an amendment to the KR Zone to allow former historic townhouses (Wardman

Style) built as residential in and approximate to the 1400 and 1500 blocks of King Street to convert back to residential.

However, while several other Phase I initiatives have been adopted since then, their adoption occurred in FY 2022 and FY 2023 rather than FY 2021 (Phase I). Those include the Phase I initiative [Accessory Dwelling Unit Policy](#) (adopted in FY 2021), Phase I initiative [Co-living Policy](#) (adopted in FY 2022), along with Phase I initiative [Auxiliary Dwellings Policy](#) (adopted in FY 2023). Community Engagement activities for these adopted initiatives were noticed and held.

<u>EARLY ZONING FOR HOUSING STAKEHOLDER OUTREACH - 2020</u>	
January 11, 2020	Housing Summit
January 16, 2020	ARHA Redevelopment Work Group Meeting
February 6, 2020	AHAAC Board
February 10, 2020	TES and DOH Input
February 18, 2020	AEDP
February 19, 2020	NAIOP
February 21, 2020	City’s Equity Core Team – Equity Plan
February 27, 2020	Federation of Civic Organizations
February 28, 2020	Government Alliance for Racial Equity Cohort – Equity Plan
March 3, 2020	Planning Commission
March 24, 2020	City Council Legislative Meeting
June 2020	City Council endorsement

Additionally, it should be noted that each of the projects completed under Phase I of Zoning for Housing had civic engagement processes subsequent to the above schedule. Please see information on the following and their civic engagement processes.

- [Accessory Dwelling Units Policy and Civic Engagement Process \(FY 2021\)](#)
- [Co-living Policy and Civic Engagement Process \(FY 2022\)](#)
- [Auxiliary Dwellings Policy and Civic Engagement Process \(FY 2023\)](#)
- [Draft Density Bonus Zoning Text Amendment and Civic Engagement Process \(FY 2022\)](#) (proposal to be finalized under the Comprehensive Zoning for Housing Package)