



Workforce Dwelling Unit Policy and Land Use and Housing Element Plan Amendments

Kelly Atkinson, Department of Planning and Development
Judith Cabelli, Department of Housing and Community Development

Agenda

- Housing that is Affordable: A Critical Challenge
- Working Households Salary
- Current WDU Policy
- 2020 WDU Incomes and Rents
- WDU Policy Task Force Process and Recommendations
- BOS Authorization
- WDU Policy Challenge
- Plan Amendment Schedule
- Questions



Housing that is Affordable: A Critical Challenge

- Need 15,000 net new homes for families at 60 percent of AMI and below in the next 15 years
- About 30,000 low-moderate income renters are paying more than a third of their incomes for housing
- Almost 71,000 households in the County earn \$50,000 or less
- Rising rents and stagnant incomes mean the Fairfax County housing market is increasingly out of reach for lower income people
- Lack of housing affordable to a range of incomes poses major challenges to attracting and retaining businesses
- **Communitywide Housing Strategic Plan Goal: 5,000 new affordable units over the next 15 years**



Current WDU Policy

- Established in 2007 (Countywide) and 2010 (Tysons) in the Comprehensive Plan
- A proffer-based incentive system to encourage the voluntary development of new workforce housing
- Development in high-density mixed-use centers
- Serves a range of income tiers from 60% to 120% of the AMI
- Separate from Affordable Dwelling Unit Ordinance, which applies to specific construction types and serves up to 70% of the AMI



Current WDU Policy

- Approximately 1,600 units constructed, nearly all rental units

<p>Countywide WDU Policy</p> <p>A density bonus of <u>12%</u> may be applied.</p>	<p>4% at 80% AMI 4% at 100% AMI 4% at 120% AMI <u>12%</u> WDU commitment</p>
<p>Tyson's WDU Policy</p> <p>Within ¼ Mile of Tysons Outside ¼ Mile of Tysons</p> <p>The maximum density bonus is up to <u>20%</u>.</p>	<p>2% at 60% AMI 3% at 70% AMI 5% at 80% AMI 5% at 100% AMI 5% at 120% AMI <u>20%</u> WDU commitment</p>

- In effect, the only realized WDU benefit currently is the 80% units and below



2020 WDU Incomes and Rents

- The 2020 Area Median Income for the Washington DC Metro Area for a household of four is \$126,000.
- **WDU Income Limits**
 - 60% AMI: \$52,900 (1 Person)
 - 60% AMI: \$75,600 (4 Persons)
 - 80% AMI: \$70,600 (1 Person)
 - 80% AMI: \$100,800 (4 Persons)
- **WDU Rents**
 - 0 Bedroom: \$1,100 – \$1,470 (60 – 80% AMI)
 - 1 Bedroom: \$1,340 – \$1,785 (60 – 80% AMI)
 - 2 Bedroom: \$1,575 – \$2,100 (60 – 80% AMI)
- **Market Rents**
 - \$1,600 – \$3,500 + (0, 1 and 2 Bedroom)



Working Households Salary



Retail Sales Person

Avg. salary: \$29,552



Graphic Designer

Avg. salary: \$58,503



Security Guard

Avg. salary: \$31,850

Many **private sector employees** who are key to local economic growth **cannot afford to live here.**



Accountant

Avg. salary: \$64,960



**Medical Records
Transcriptionist**

Avg. salary: \$46,679

WDU Policy Challenge

- The major policy challenge identified was that the WDU Rental Program rents at the 100 and 120 percent income tiers are at or above market rent.
 - The current Countywide Policy only realizes **4 percent** of new residential construction as WDUs affordable to households at 80% AMI.
 - The current Tysons Policy only realizes **10 percent** of new residential construction as WDUs affordable to households between 60% and 80% AMI.



WDU Policy Task Force Process

- Established by the BOS in March 2019 to recommend policy reforms for the WDU Rental Program only.
- Included DPD/HCD staff, industry representatives, advocates, Planning Commissioner, and FCRHA Commissioner.
- The major policy challenge identified was that the WDU Rental Program rents at the 100 and 120 percent income tiers are at or above market rent.
- The WDU Policy Task Force considered the need for units serving households between the 60 and 80 percent income tiers; public benefit and developer impacts; and One Fairfax Policy.
- Staff proposed to discontinue and replace the current policy.
- Staff and development partners collaborated to develop recommendations from March 2019 through June 2020.



WDU Policy Task Force Recommendations

	Current Policy	WDU Policy Proposal										
Countywide WDU Policy	<p>4% at 80% AMI 4% at 100% AMI <u>4% at 120% AMI</u> <u>12%</u> WDU commitment</p> <p>A density bonus of <u>12%</u> may be applied.</p>	<p>2% at 60% AMI 2% at 70% AMI <u>4% at 80% AMI</u> <u>8%</u> WDU commitment</p> <p>A density bonus of <u>12%</u> may be applied.</p>										
Tyson's WDU Policy	<p>2% at 60% AMI 3% at 70% AMI 5% at 80% AMI 5% at 100% AMI <u>5% at 120% AMI</u> <u>20%</u> WDU commitment</p> <p>The maximum density bonus is up to <u>20%</u>.</p>	<p>The developer would elect <i>either</i> Option 1 or Option 2:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">Option 1</td> <td style="width: 50%;">Option 2</td> </tr> <tr> <td>3% at 60% AMI</td> <td><u>10% at 60% AMI</u></td> </tr> <tr> <td>2% at 70% AMI</td> <td><u>10%</u> WDU commitment</td> </tr> <tr> <td><u>8% at 80% AMI</u></td> <td></td> </tr> <tr> <td><u>13%</u> WDU commitment</td> <td></td> </tr> </table> <p>The maximum density bonus continues to be up to <u>20%</u>.</p>	Option 1	Option 2	3% at 60% AMI	<u>10% at 60% AMI</u>	2% at 70% AMI	<u>10%</u> WDU commitment	<u>8% at 80% AMI</u>		<u>13%</u> WDU commitment	
Option 1	Option 2											
3% at 60% AMI	<u>10% at 60% AMI</u>											
2% at 70% AMI	<u>10%</u> WDU commitment											
<u>8% at 80% AMI</u>												
<u>13%</u> WDU commitment												

WDU Policy Task Force Recommendations

- The Task Force endorsed a five-year “look back” to evaluate policy changes.
- The maximum existing density bonus framework remains up to 20%.



BOS Authorization

- On July 14, 2020, the Board of Supervisors authorized a series of Comprehensive Plan Amendments based on the policy adjustments recommended by the WDU Policy Task Force to include the following documents:
 - Housing and Land Use Elements of the Policy Plan
 - Area Plans and the Glossary
 - WDU Administrative Policy Guidelines (Countywide/Tysons)



Schedule for WDU Comprehensive Plan Amendments

- Board of Supervisors Authorization: July 14, 2020
- Staff draft of Straw-man text: July-October 2020
- Continued Public Engagement : October - November 2020
- Publication of Draft Straw-man language: October 2020
- Staff Report Publication: December 2020 (tentative)
- Planning Commission Hearing: January 2021 (tentative)
- Board of Supervisors: February 2021 (tentative)



Questions??

