

## Proposed FBC Amendments/Interpretations

Form Based Code (FBC)  Neighborhoods Form Based Code (N-FBC) \_\_\_\_\_

Map Amendment \_\_\_\_\_ Text Amendment

### Topic: Parking (Part 1)

Parking Ratio for Affordable Housing

#### Issue:

What criteria should be established or amount of affordable housing should be required for Form Based Code projects within the commercial centers to be eligible for a reduced parking ratio of 0.825 space/unit?

**Purpose:** To provide a parking ratio for affordable housing units that better reflects the parking demand for these units and helps to facilitate the preservation of affordable housing units along Columbia Pike.

#### FBC References:

##### Form Based Code (commercial centers)

##### III. Regulating Plans (pg. 3.4)

B.4.C.1. Parking: A minimum of 1 and 1/8 parking spaces per residential dwelling unit, of which a minimum of 1/8 parking space per residential unit shall be provided as SHARED PARKING. There are no maximum limits on SHARED PARKING>

##### Neighborhoods Form Based Code

##### Part 8. Parking Standards

803/903.A.1:

The following incentives are provided in order to encourage property owners to create or preserve AFFORDABLE HOUSING units beyond the minimum number of AFFORDABLE HOUSING units required in Section 902.

1. Reduced parking ratio: If an applicant provides at least 1 percent more AFFORDABLE HOUSING UNITS in excess of the minimum required quantity, the applicant may reduce the minimum parking ratio for all AFFORDABLE HOUSING UNITS within the DEVELOPMENT PROJECT from 1.125 spaces per unit to 0.825 spaces per unit, which includes 0.7 space per unit and 0.125 SHARED space per unit.

#### Staff Analysis:

##### Background information:

Parking:

- Countywide, the parking ratios for residential units are typically set at 1 space/unit or 1.125 space/unit with 1 space per unit reserved for tenant parking and 0.125 space/unit allocated for visitor parking. The County has approved parking ratios less than 1

space/unit for projects in the County where committed affordable housing units were provided.

- The commercial FBC and the Neighborhoods FBC include a ratio of 1.125 space/unit for all residential units, with 0.125 space/unit allocated for visitor/shared parking. However, the N-FBC offers a parking incentive for projects that exceed the minimum amount of required affordable housing by 1% (parking ratio of 0.825 space/unit which also includes 0.125 space/unit allocated for visitor/shared parking).
- Information supplied by affordable housing developers indicates that the demand for parking is lower for affordable units. It is also common that some residents do not own cars.
- A reduced parking ratio for tax credit projects allows them to better compete/remain competitive in light of new Total Development Cost limits.
- The County has policies and criteria in place to avoid parking problems on surrounding low-density residential streets through the zone parking program should spillover from multi-family or commercial properties occur.

#### Affordable Housing Requirements:

- The commercial FBC does not currently include a minimum requirement for affordable housing units; however, the County expects to attain projects which include committed affordable housing units within these centers. Two approved projects (Arlington Mill Residences and The Shell) include affordable housing units; these projects provide parking at 1.125 space/unit as required by the FBC.
- The N-FBC includes an affordable housing requirement which sets a minimum amount of units based on the increased percentage of units above that which currently exist, with a requirement between 20 – 30% of the net new units (or additional 5% more if units are provided in existing buildings).

#### **Establishing the affordable housing criteria to qualify for the reduced parking ratio:**

- What amount of affordable housing should be required for projects to be eligible for a reduced parking ratio of 0.825 space/unit?

#### Options & Considerations:

1. Establish a regulation that gives flexibility for tax credit projects: Projects that are submitted and approved for Low Income Housing Tax Credits, or provide at least 40% of the proposed housing as affordable housing (up to 60% AMI, 30 year term).
  - This may be a viable interim regulation until further analysis is completed and a new minimum affordable housing requirement is incorporated in the FBC. This approach would give flexibility for projects that will include a substantial amount of affordable housing.
  - This minimum amount of affordable housing may have to be reevaluated when further analysis is done to establish a minimum affordable housing requirement.
2. Establish a minimum amount of affordable housing required that corresponds to the regulations included in the N-FBC: Projects that provide at least 21% of the net new

units as affordable housing (at 60% of the AMI, 30 year term). This is based on the minimum amount of units required in the N-FBC, plus at least 1% more to be eligible for the reduced parking ratio.

- Requiring 21% affordable units for a reduced parking ratio of 0.825 space/unit on the affordable portion only is unlikely to incentivize a market rate developer to use this tool. The reduced parking ratio may be plausible to attain 1% of the housing as affordable housing, however, the cost savings of the reduced parking ratio would not be sufficient to offset the foregone revenue and commit the remaining 20% of the project as affordable housing.

3. Establish a minimum amount of affordable housing based on economic analysis that correlates the parking reduction cost savings and costs of creating affordable housing, to incentivize market-rate developers.

- As determined through prior analysis, the cost savings gained by constructing fewer parking spaces is relatively low as compared to the cost of creating affordable housing at 60% of the AMI for 30 years. A parking ratio reduction from 1.125 space/unit to 0.825 space/unit will not be a sufficient incentive for a market-rate developer to provide 1 affordable housing unit. A parking ratio further reduced below 0.825 space/unit (or parking waiver) or flexibility to apply the reduced parking ratio to market-rate units would be needed to incent the creation of affordable housing units by a market rate developer. Therefore, a low requirement for affordable housing is needed.
- Establishing a lower rate may be premature before further study of how it could be impacted by inclusion of an overall minimum affordable housing requirement.

**Recommendation**

**FBC AWG Comments**

**ZOCO Comments**

**PC/CB Comments/Recommendation**

**Impact of Proposed Solution (i.e., additional height, more coverage, more gfa, less open space, better architecture, etc)** \_\_\_\_\_

Result: Interpretation \_\_\_\_ FBC Amendment \_\_\_\_