

From: Dulles Area Association of REALTORS® (DAAR)

Subject: Loudoun County, Virginia Zoning Ordinance Rewrite

Overview

DAAR argues that the “compatibility” standards applied to new Attainable Housing units (i.e., ADUs, UNHUs, and AHUs) relative to market-rate units in a development are over-prescriptive and rigid and will make it unnecessarily costly for developers to construct Attainable Housing Units.

Additionally, we argue that parking requirements for Attainable Housing units are excessive. Even with the 10% to 50% parking reduction the Draft ZO authorizes for Attainable Housing units, the parking requirements for Attainable Housing development will, in many cases, still exceed the average peak parking demand of Attainable Housing developments in Loudoun County. Imposing excessive parking requirements for Attainable Housing units increases construction costs, which translates to higher sales prices and rents for market rate housing units.

Finally, we would point out that under the Existing Zoning Ordinance, developers appear to rely heavily on modifications to the standards of that ordinance in order to achieve a viable project. To the extent that modifications are critical to the feasibility of development under the Existing Zoning Ordinance, the County should consider increasing the amount of flexibility in the Draft ZO, or at least consider relaxing development standards that are frequently the subject of modification requests to better align with the existing built environment and reduce the need for future modification requests.

Analysis

Issue: The proposed compatibility standards for ADUs and UNHUs could burden developers and have a negative impact on housing affordability.

DAAR argues that the proposed compatibility requirements for Attainable Housing units are unreasonably onerous, would increase building costs, and could have a negative impact on the affordability of the market rate units in affected residential projects, because developers would pass at least some of these costs along to owners or renters in the form of higher sales prices and rents. If the cost impact is too extreme, some residential developers may simply stop building Attainable Housing projects in the County. For example, the County may want to take the approach of San Jose, California, whose inclusionary housing ordinance requires affordable units to meet the following design and construction standards:

The quality of exterior design and overall quality of construction of the Inclusionary Units shall be consistent with the exterior design of all Market Rate Units in the Residential Development and meet all site, design, and construction standards included in Title 17 (Buildings and Construction), Title 19 (Subdivisions), and Title 20 (Zoning) of this Code, including, but not limited to, compliance with all design guidelines included in applicable specific plans or otherwise adopted by the City Council, and the Inclusionary Housing Guidelines.

Issue: The proposed off-street parking requirements for Attainable Housing units are excessive and do not reflect the actual parking needs of ADU and UHNU units.

The reduced parking ratios of Section 7.06.02(C)(1) are still too high and would require developers of Attainable Housing units to incur the cost of providing excessive parking. Despite the Planning Commission rejecting Commissioner Combs' motion to amend Section 7.06.02(C)(1) to set a parking ratio of 1.5 spaces per dwelling unit, the Board of Supervisors should consider reducing the off-street parking requirement for Attainable Housing development even lower than 1.5. The ITE study found an average parking demand per dwelling unit of 0.99 for affordable housing development. There are many negative consequences of excess parking, including increased construction costs, which translate to higher sales prices and rental fees for market rate housing units.

Issue: The County has not done enough to address concerns that the Draft ZO is less “modifiable” than the Existing Zoning Ordinance.

DAAR questions whether the County has actually studied the extent to which modifications play a critical role in land use applications under the Existing Zoning Ordinance. As a way to facilitate comparison between the Existing Zoning Ordinance and the Draft ZO in that regard, we ask that the County creates a table of “flexible regulations” under the Existing Zoning Ordinance (i.e., a counterpart to Appendix C of the Draft ZO) and a detailed analysis of how the Draft ZO compares to the Existing Zoning Ordinance from the standpoint of flexibility, taking into account not just the raw number of provisions that are modifiable, but the process involved and the criteria that must be met in order to obtain a modification or a waiver (e.g., administrative modification vs. legislative modification). DAAR would also like the County to explain what steps it has taken in the Draft ZO to avoid (e.g. by relaxing development standards that are frequently the subject of modification requests to better align with the existing built environment and the realities of the market) or address (e.g., by adding greater flexibility to the Draft ZO) the need for modifications to make projects viable.