

REGIONAL HOUSING PILOT PROJECT CONCEPT

BACKGROUND

An anonymous funder approached COG in the spring of 2020 with a desire to catalyze solutions to meeting the region's significant need for more housing that is affordable to low and moderate-income households. The purpose of this pilot project is to further the regional housing targets passed by the COG Board of Directors in September 2019 and test new approaches to meet the current and future residents' housing needs in the metropolitan Washington region.

PILOT PROJECT OVERVIEW AND CRITERIA

- Project must be multi-jurisdictional in nature (within the COG footprint);
- Project must address affordability goals;
- Project can be development-related (testing new construction systems, for example) or policy-related (streamlining and standardizing ADU ordinances across the region);
- Budget is roughly \$100,000 for the first year; if the concept proves compelling, funding could be continued for another year or two (but funder does not wish to fund a project long term).
 - Funding is potentially available in the short-term to hire a consultant to run numbers or do initial research if needed.
- Funder is seeking an opportunity to test new approaches and strategies to create housing at a more affordable cost (allowing for more production for lower-income households); and
- COG will be the grant recipient and manage the pilot project.

PILOT PROJECT NEXT STEPS AND PROPOSED TIMELINE

- Develop possible pilot project ideas (June – September)
 - Hold multiple brainstorming / working group discussions with selected participants
- Refine project concepts among committees – September – October
 - Share concepts with funder via regular monthly or bi-monthly updates
- Finalize pilot project concept with HDAC/PDTAC and funder.
- January 2021 – launch pilot project.

SEE NEXT PAGE FOR ONGOING LIST OF POTENTIAL PILOT PROJECT TOPICS

TOPIC SUGGESTIONS TO DATE BY CATEGORY:

Financing

- Use of “linkage fees” as a key piece of an overall strategy to provide affordable (workforce) units. Perhaps some of the funding could be used to develop a standard ordinance template for member municipalities to use, or to develop some regional approach to this. If there is uniformity in how this is approached, it might accelerate its effectiveness.
- Regional loan consortium – set up to preserve iconic regional housing resources that we could collectively agree would be a loss to us all if they were not kept market affordable/committed affordable – and maybe beyond any individual jurisdiction’s capacity to solely fund. Maybe a public sector alternative/approach – but with some private investors, too – to the JBG SMITH option, which may work for some deals but not all because of their investors’ requirements. There are good regional models we might learn from/improve to fit our situation.
- Regional loan fund for ADUs (current proposal in the District of Columbia “Homegrown Housing”)
 - Creating a financing mechanism to affordably construct ADUs
- Seed money for regional pool of housing funds (fund to be created)
- Public infrastructure investment to support affordable housing

Regulatory

- Office to residential conversions; study when it is worth a renovation vs demolition/new construction
- Regional Community Land Trusts
- Microunits – test policy/zoning changes that would allow them to be built region-wide
- Feasibility study for cottage-style/missing middle housing throughout the region

Development/Construction Materials or Techniques

- Modular building has a lot of promise, including in multifamily applications. (VHDA interested)
- 3D printed houses for people experiencing homelessness currently in hotels
- Use of manufactured housing for ADUs