



ARLINGTON
VIRGINIA

**An Enterprise Approach
to Housing Affordability:
A DHS:CPHD
Collaboration**

**COUNTY MANAGER'S
PROPOSED FY 2023 BUDGET**

County Board Work Session
Tuesday, March 8, 2022

AHIF and DHS Programs Work Together

CAFs provide a supply of units for Housing Grants' families

CAFs provide a permanent supply of units for the PSH Program

About 1,241 (90%) of Housing Grants' households live in CAFs

Housing Grants' subsidies help fill the affordability gap for families living in CAF units

Case management and additional financial support are sometimes necessary to ensure housing stability

CAF collaboration: Serrano and Barcroft



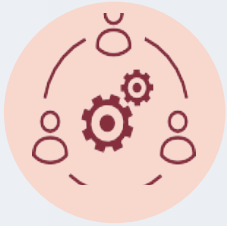
CAF Management Strategy



OVERSIGHT AND
ASSET
MANAGEMENT



CAPITAL
INVESTMENT



COORDINATION



PROBLEM SOLVING



COMMUNICATION
AND OUTREACH



CAF Oversight

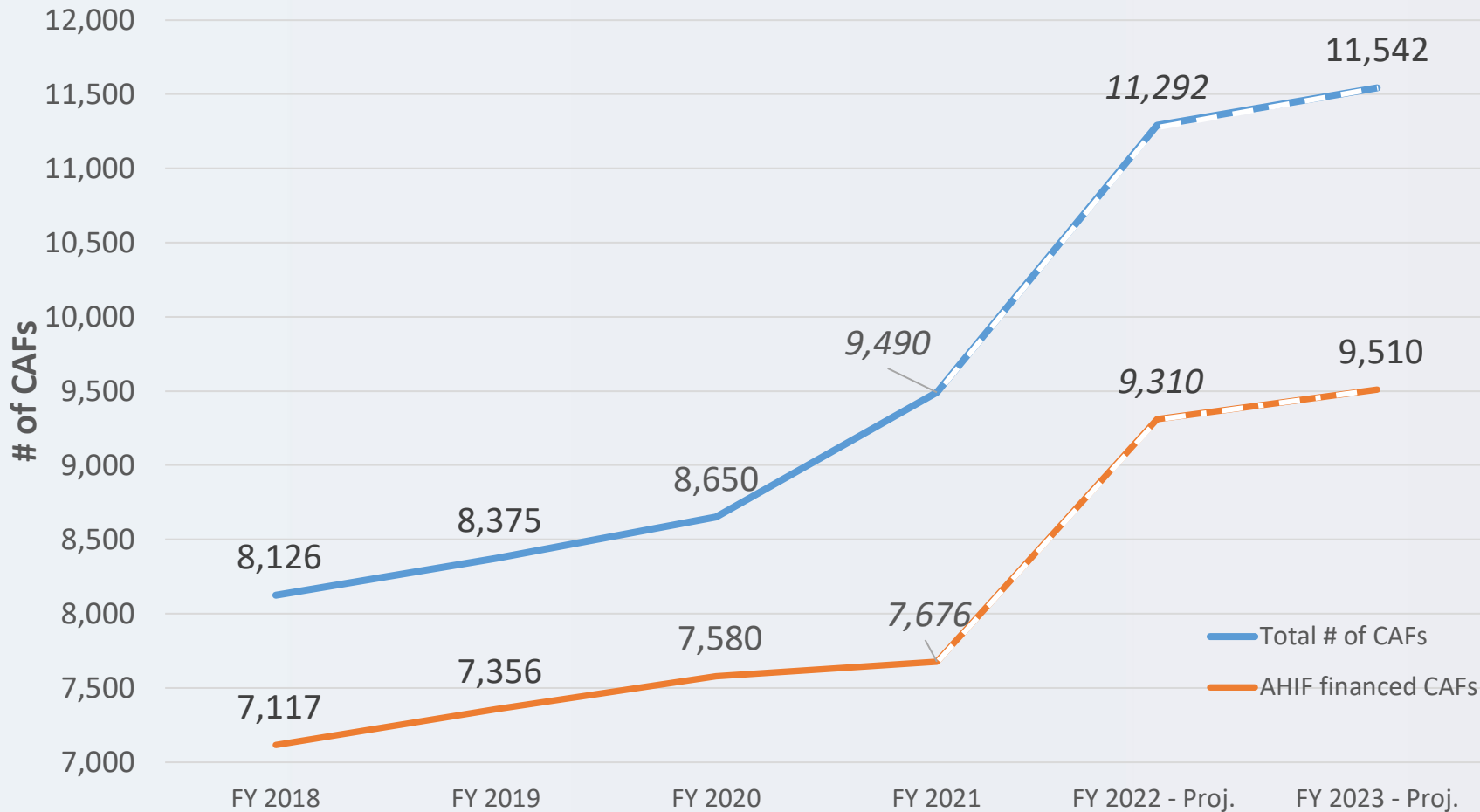
- Staff monitor the health of CAF properties through physical and financial inspections
- With assistance from a 3rd Party Inspection Firm, completed inspections for 6 properties – approximately 800 units.
- FY 2023 Recommendation for \$100,000 to continue inspections.
- Staff is reviewing inspections data to plan for a more comprehensive capital needs approach to the County's portfolio.



AHIF as an Affordable Housing Tool

- County is a mission-driven lender
 - Goal is to create and preserve committed affordable units (CAFs) affordable to families earning 30%-60% of the area median income (AMI) for 60 years or more
- AHIF is used for residual receipt / cash flow loans
 - \$145 million in loan repayments received to-date / 45% of loans paid in full
 - County Board has approved almost 120 loans / \$425 million allocated to-date
 - FY 2023 Recommendation is level funding at \$16.9 million

AHIF Supports CAF Production



- AHIF is the primary source of funding for CAFs in Arlington
- CAFs are also created through site plan and form-based code

Permanent Supportive Housing (PSH)

Purpose: Local and State funded rental assistance program aimed to house and support low-income adults with disabilities in permanent, affordable apartments.

FY 2021 PSH
Retention
Rate 96%

Eligibility requirements:

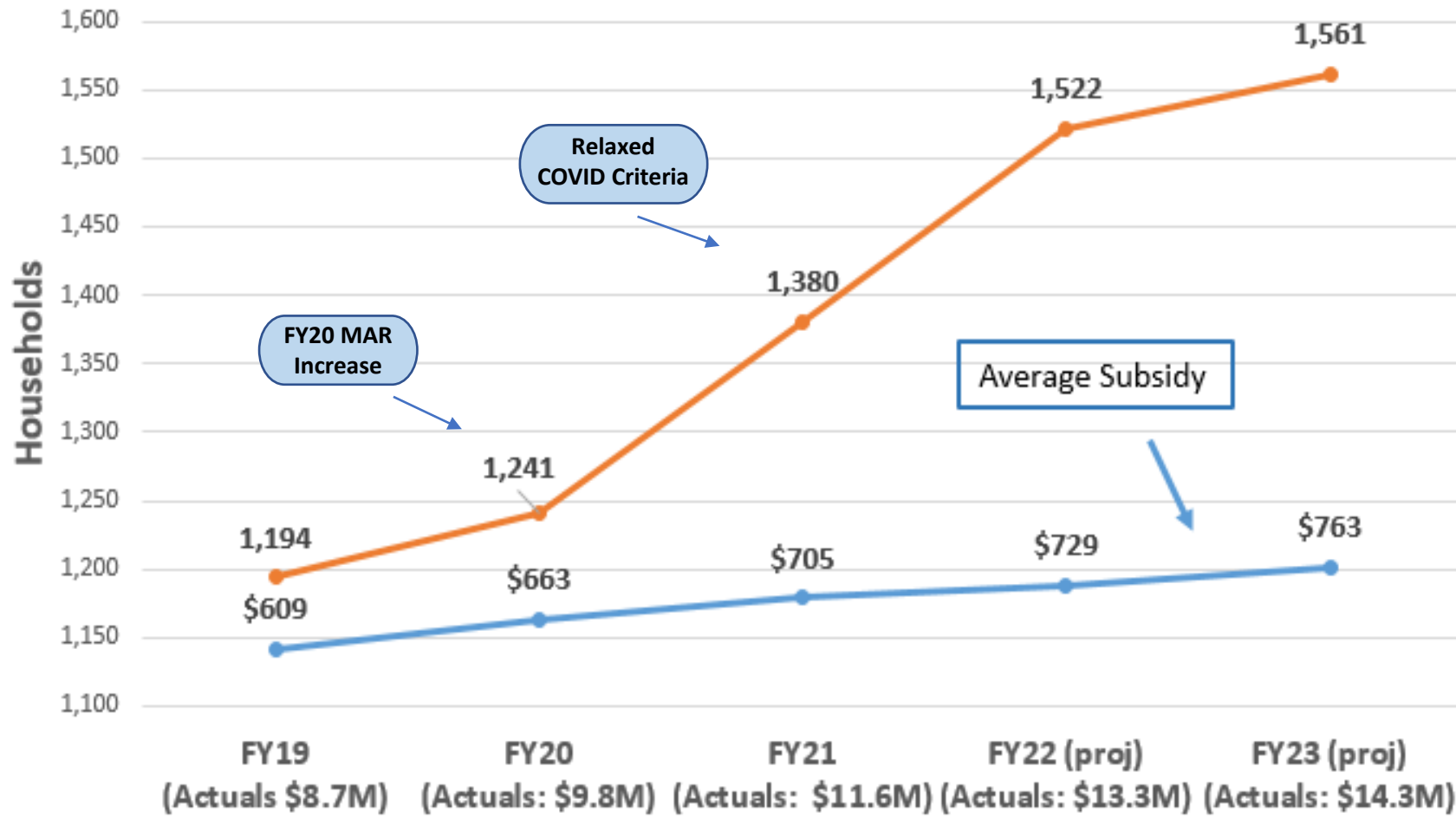
- Arlington County residents with a documented disability
- Participants must be referred to the program by a DHS case manager
- Income must be at or below 40% of the area median income
- Applicant must have documented housing insecurity (e.g. homelessness, released from behavioral health facility, etc.)

- ❖ Approximately 30% (96) of PSH participants have held housing placements in scattered site apartments longer than 6 years.
- ❖ PSH year-over-year retention rates exceed 95%.
- ❖ Clients receive case management services.
- ❖ The program waitlist has approximately 50 clients who wait an average of 7-9 months before securing housing (median 5 months).
- ❖ 10 Marbella units become locally funded in Q3 of FY 2023 with the 6/30/22 end of the buy-down agreement.

PSH FY 2023 Locally Funded
Base Budget: \$3,069,019
FY 2023 Supplement: \$588,046
Total Budget: \$3,657,065
Projected Households Served: 289

Housing Grants

Housing Grants: Number of Households in Program



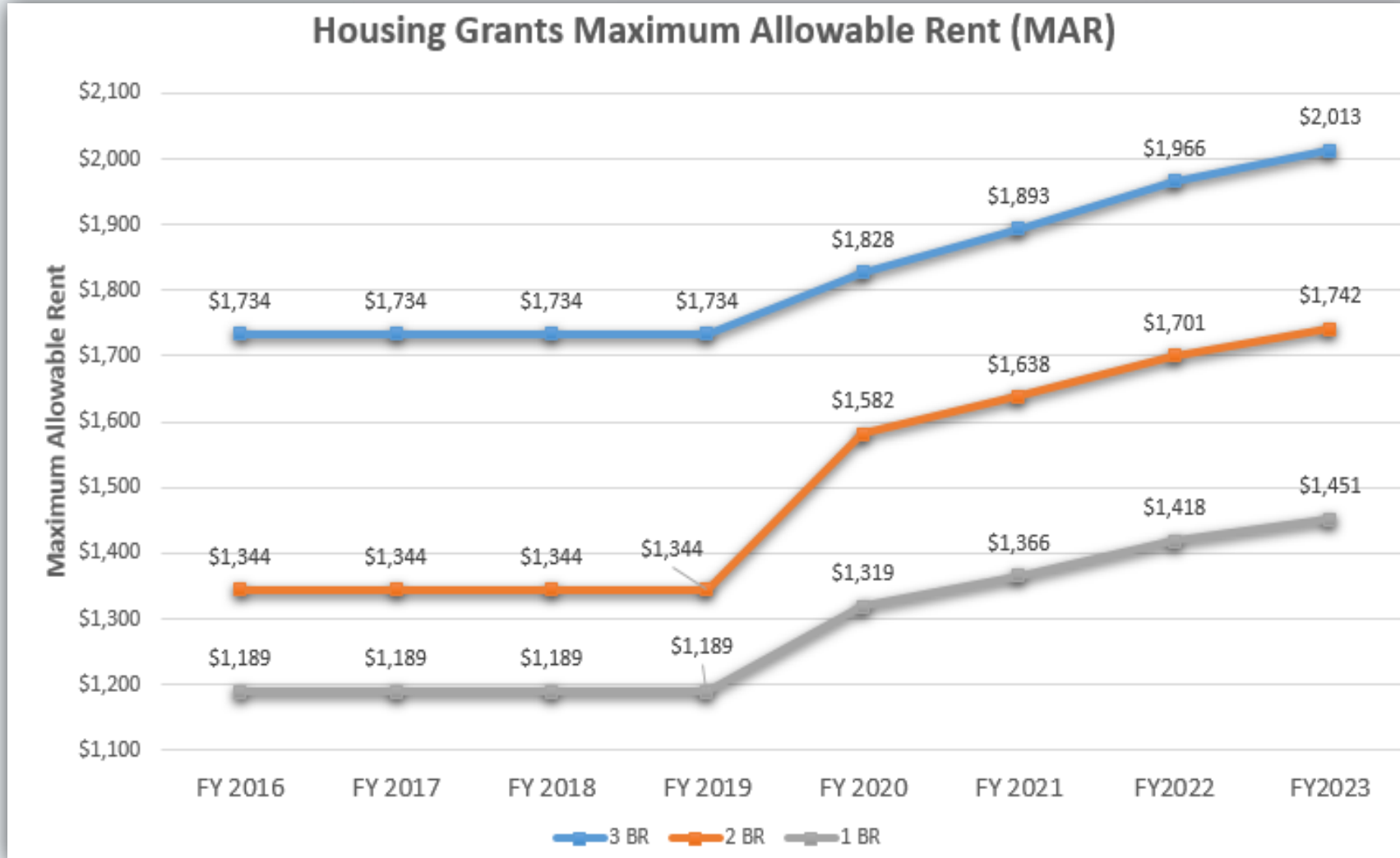
The FY 2023 proposed budget includes \$2.3 million in one-time funds for an FY23 budget of \$14.3 million.

1,241 (90%) of clients reside in Committed Affordable Units (CAFs) (as of 6/30/2021)

The FY 2023 projected average monthly grant is \$763; total projected expenditures are \$14.3M. Participation is projected to increase 3% (46) over the FY 2022 level

Approximately 1,317 (89%) households have incomes less than 30% AMI

Housing Grants – Maximum Allowable Rent (MAR)



Prior to FY 2020, the Housing Grants MAR was capped at the 2010 level making it difficult for clients to locate an affordable unit and caused households to contribute more than 40% of their income towards rent

Beginning in FY 2020, the County Manager approved increasing the MAR to the current 60% AMI level on an ongoing basis.

Housing Grants Study

Review legislative parameters governing program eligibility and operations; especially those impacting legal presence requirements and inclusion of utility subsidies

Identify Arlington's rent burdened populations, defined as households whose rent exceeds 30% of their income, and are not assisted through the program

Compare and contrast Housing Grants to Housing Choice Voucher and similar programs in the region

Conduct surveys and focus groups with stakeholders and program participants to determine impact and ways to better serve those most in need of rental assistance

Projected Completion – Fall 2022



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