



ARLINGTON  
VIRGINIA

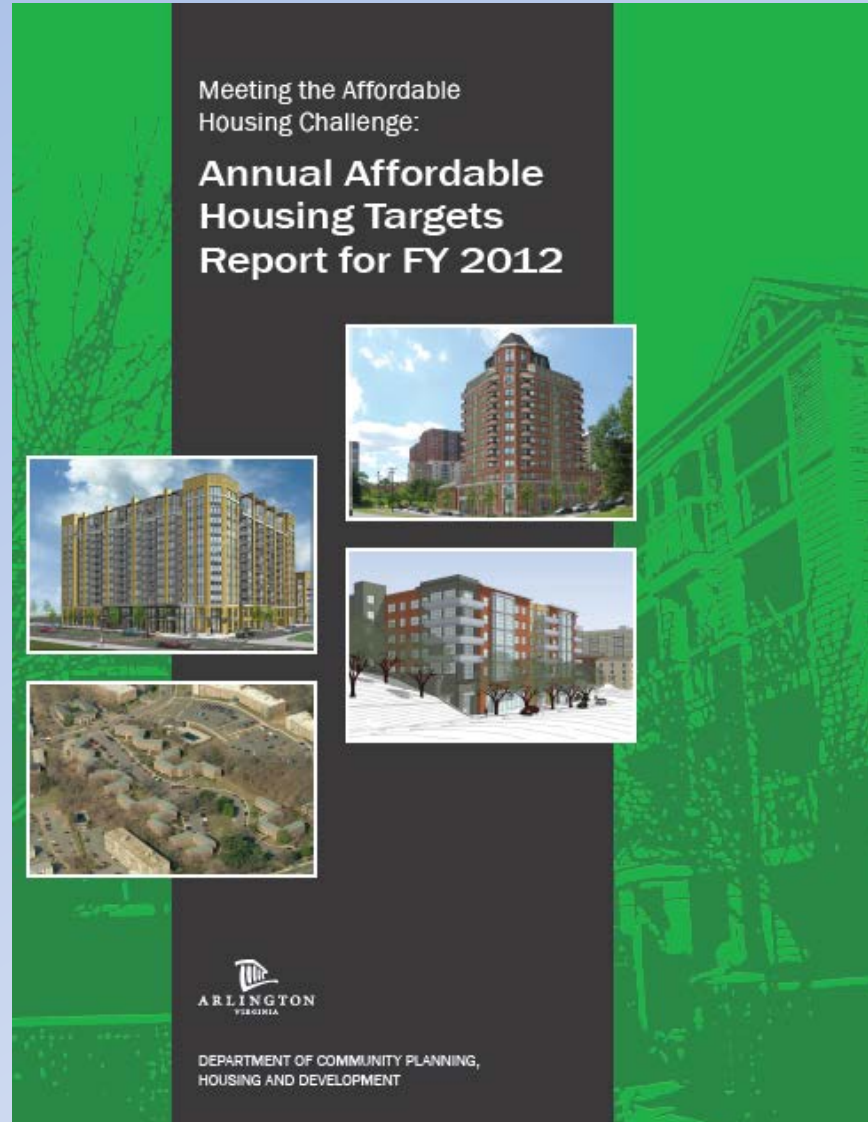
## Affordable Housing Goals and Targets, Part 1

# Affordable HOUSING Study

April 25, 2013

# Housing Policy Structure

- Principles
- Goals
- Targets



# CAF - Committed Affordable Unit

- Wholly owned by nonprofits; or
- Legally binding agreement with the federal, state, or County Government to remain affordable to low and moderate income households for a specified period of time; or
- Unit owner received government subsidy to assist with the purchase.

# MARK - Market Affordable Unit

- Lower rent units in the private market which receive no County assistance and for which the owners have made no commitment to retain as affordable in the future.
- MARKS are "affordable" based on paying no more than 30% of income for rent.



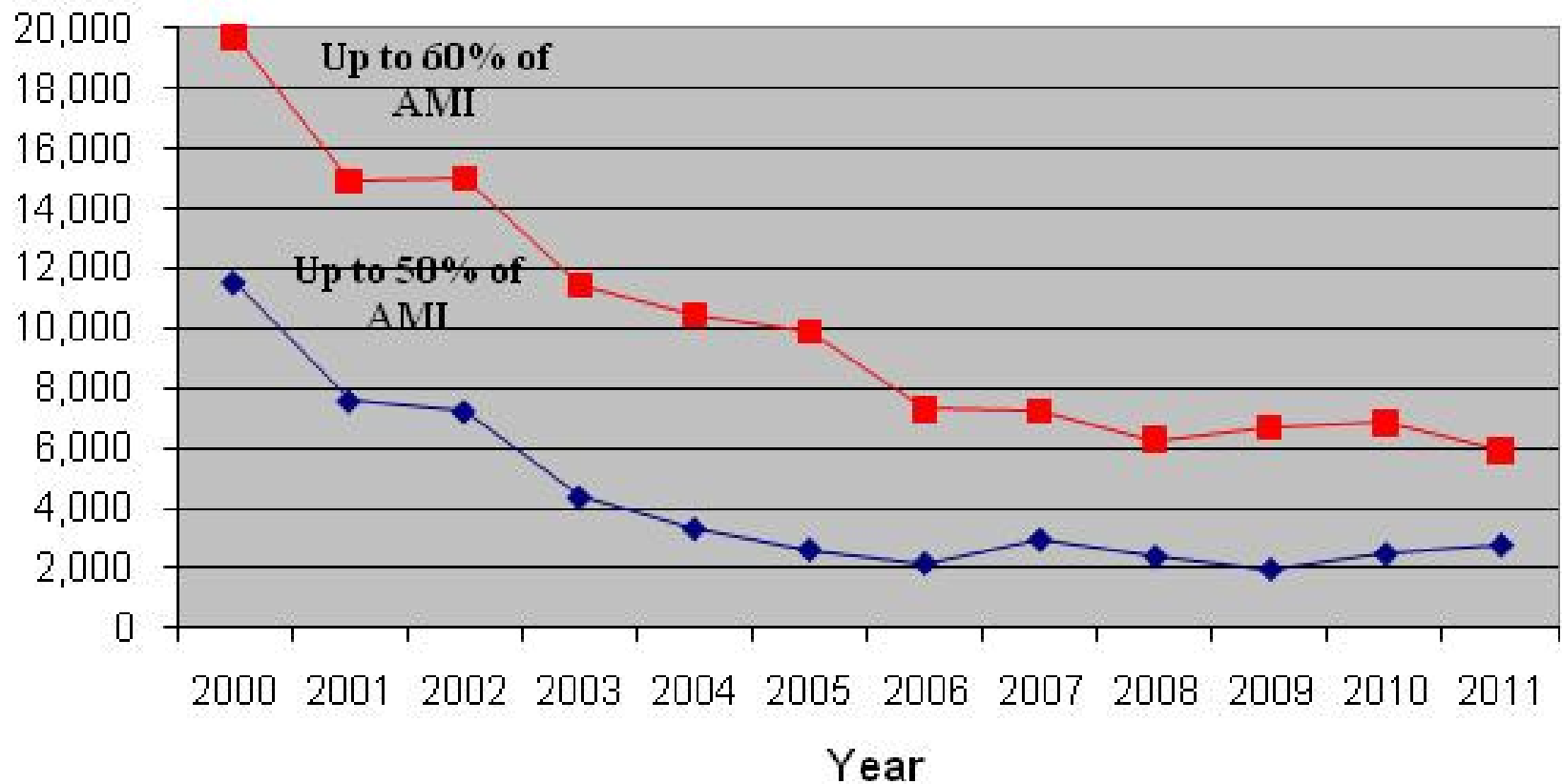
# Market rate units

- Housing units in the private housing market that have a rent that is above the affordability levels for persons earning 80% of the Area median income.

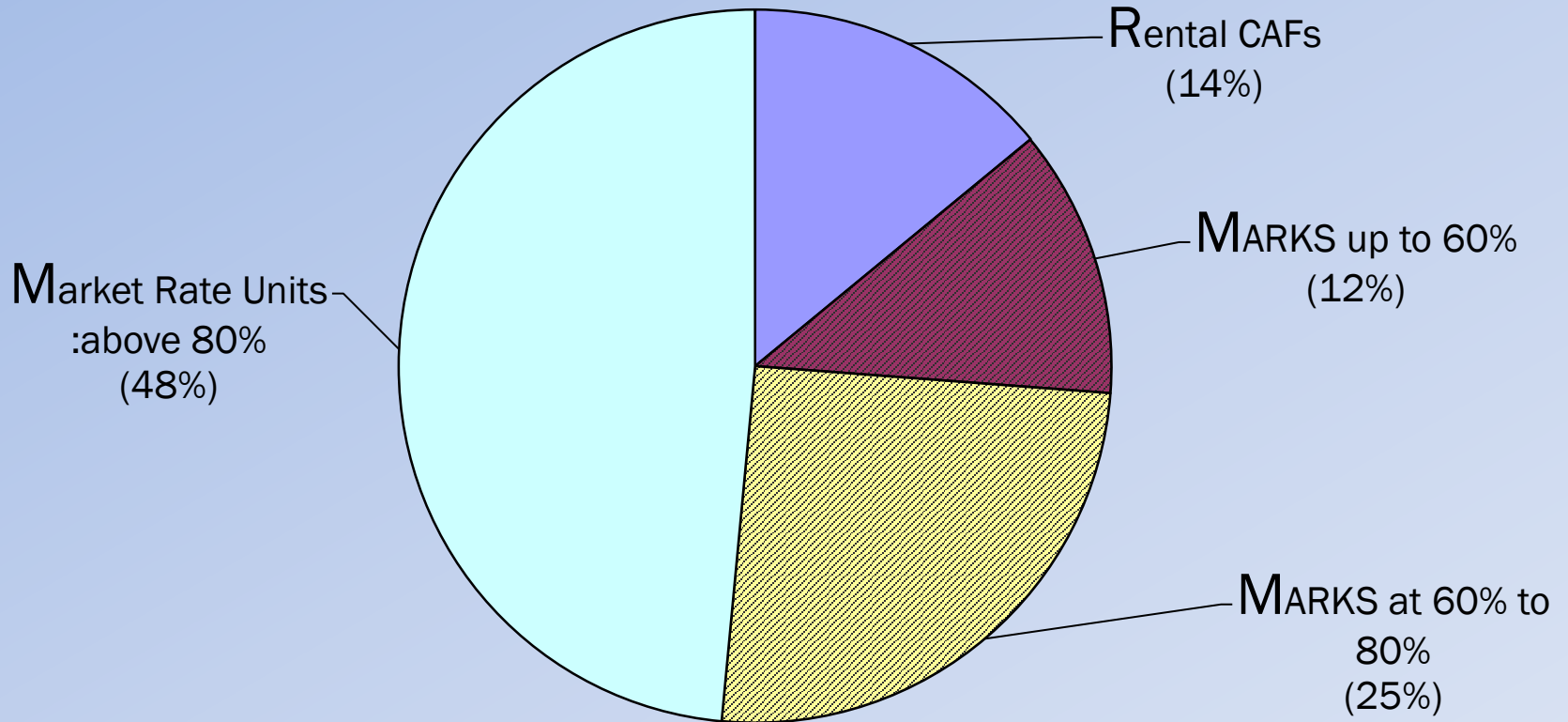
# The Same CAF Rent limits define MARKs

<b>Unit Size</b>	<b>80% AMI</b>	<b>60% AMI</b>	<b>50% AMI</b>
<b>Efficiency</b>	\$1,506	\$1,129	\$941
<b>1</b>	\$1,613	\$1,209	\$1,008
<b>2</b>	\$1,936	\$1,452	\$1,210
<b>3</b>	\$2,236	\$1,677	\$1,397
<b>4</b>	\$2,494	\$1,870	\$1,558

# History of MARKS at 50% and 60% of Median Income from 2000 to 2011



# 2011 Rental Unit Breakdown



FY 2012 Total CAF Units = 6,585



## **Goal 4: SUSTAINABILITY**

Ensure that the production, conversion and renovation of committed affordable housing is consistent with Arlington's commitment to sustainability and goals to reduce greenhouse gas emissions in the County.

### **Target 4A:**

Distribute the Fresh AIRE multi-family toolkit signage and information to 100% of all CAF rental properties by FY 2013.



### **Target 4B:**

Track electric, gas, and water utilities in 50% of all CAF rental properties using a free utility tracking software by FY 2015.

# Goal 4: SUSTAINABILITY

## Target 4C:

Reduce total energy use by an average of 15% in the total supply of CAF multi-family properties between FY 2011 and FY 2015.



## Target 4D:

Reduce total water use by an average of 10% in the total supply of CAF multi-family properties between FY 2011 and FY 2015.

## Target 4E:

Each new or rehabilitation project will be in compliance with EarthCraft, LEED or other comparable certification if the developer receives Low Income Housing Tax Credits.



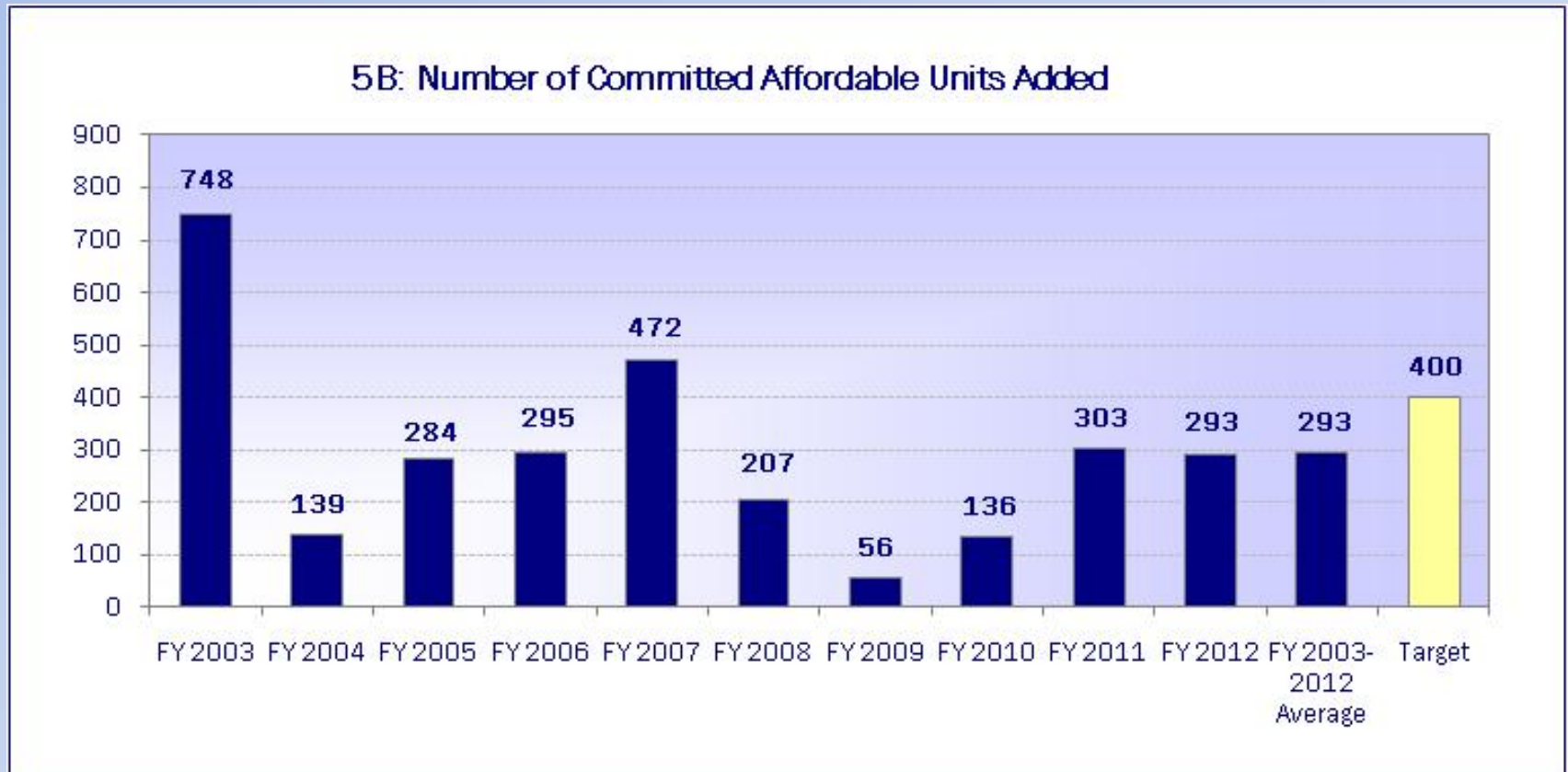
**Goal 5:** Permit no net loss of committed affordable housing, and make every reasonable effort to maintain the supply of affordable market rate housing.

**Target 5A:** CAFs lost should be replaced as a priority.

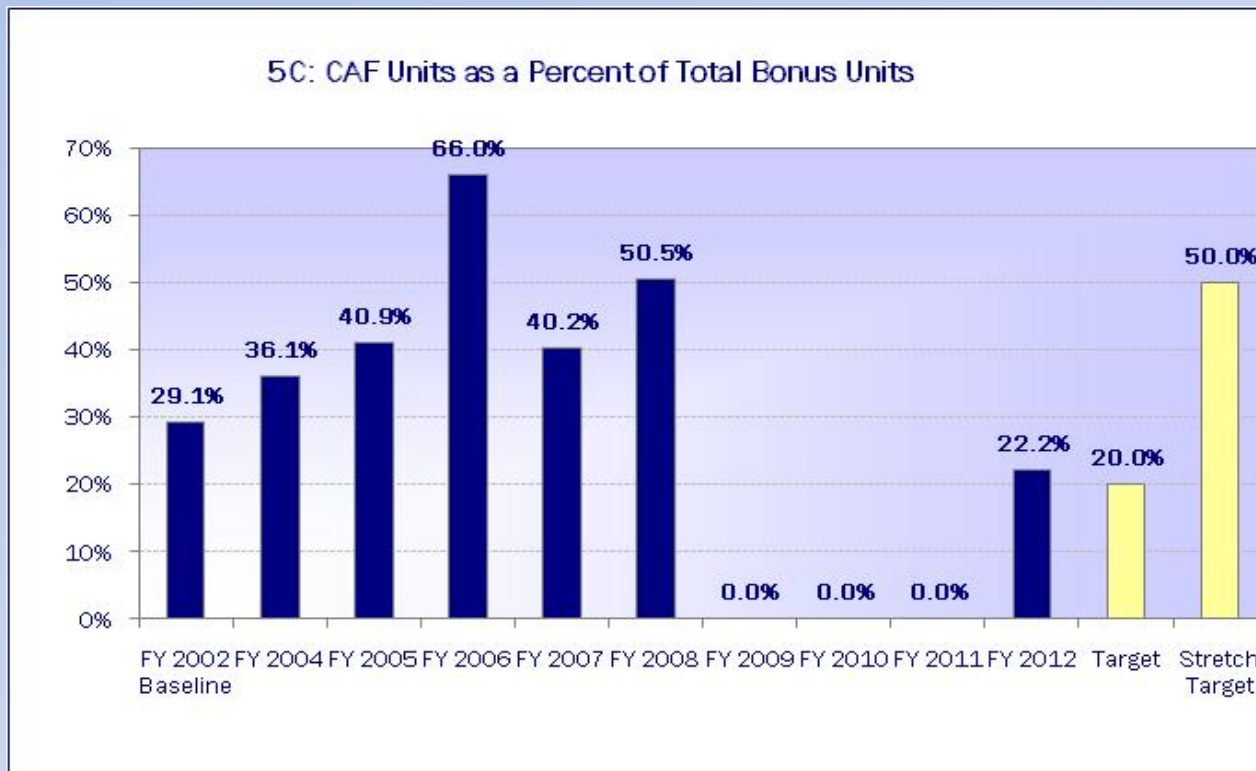
- No CAF units are scheduled to expire by FY 2015.



**Target 5B:** Help maintain the supply of affordable housing by assisting an average of 400 net new committed affordable housing units per year, especially the preservation of existing affordable housing through partnerships with nonprofit housing providers, while meeting the Targets for goals 6, 7, 8 and 9.



**Target 5C:** In residential site plan projects, ensure developers comply with the Affordable Housing Ordinance to provide a cash contribution or affordable housing units. If the density bonus is used, target 20% with a stretch target of 50% of the total bonus units, bedrooms or gross floor area as affordable.



**Target 5D:** Minimize involuntary displacement of low- and moderate-income households in complexes being renovated, converted or redeveloped. For committed affordable projects, strive to provide opportunities for 60% of low- and moderate-income households onsite or nearby.

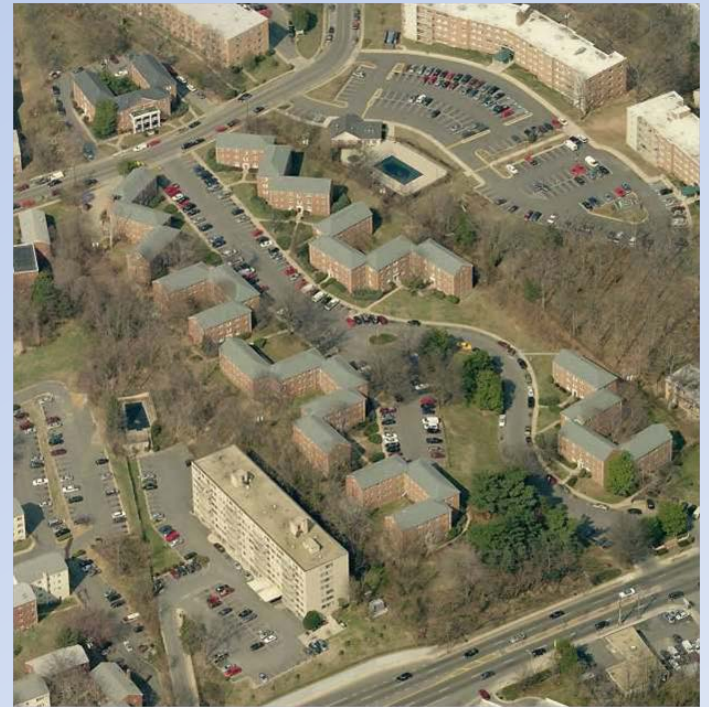
- In Current Relocation Projects, approximately 20% of Households were Displaced



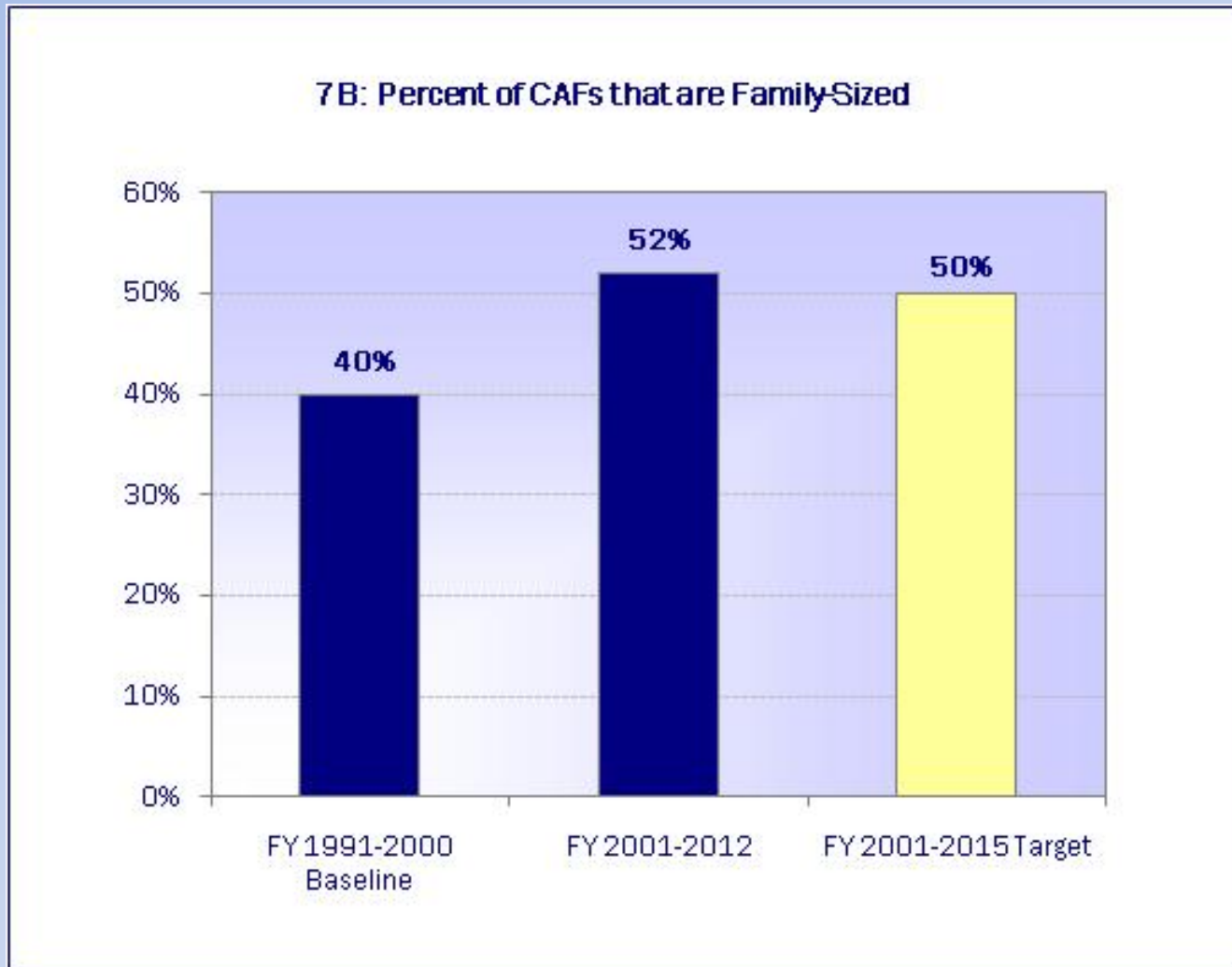
**Goal 7:** Increase the number of housing units with two or more bedrooms in order to match the needs of households with children.

**Target 7A:** Increase the number of family-sized units in the County to 61,000 by FY 2015.

- According to information from the U.S. Census Bureau 2006-2010 American Community Survey 5-Year Estimates, this target has been achieved.



**Target 7B:** Provide that half of the rental committed affordable housing units added between FY2001 and FY 2015 are family-sized, of which 25% would be greater than two bedrooms.





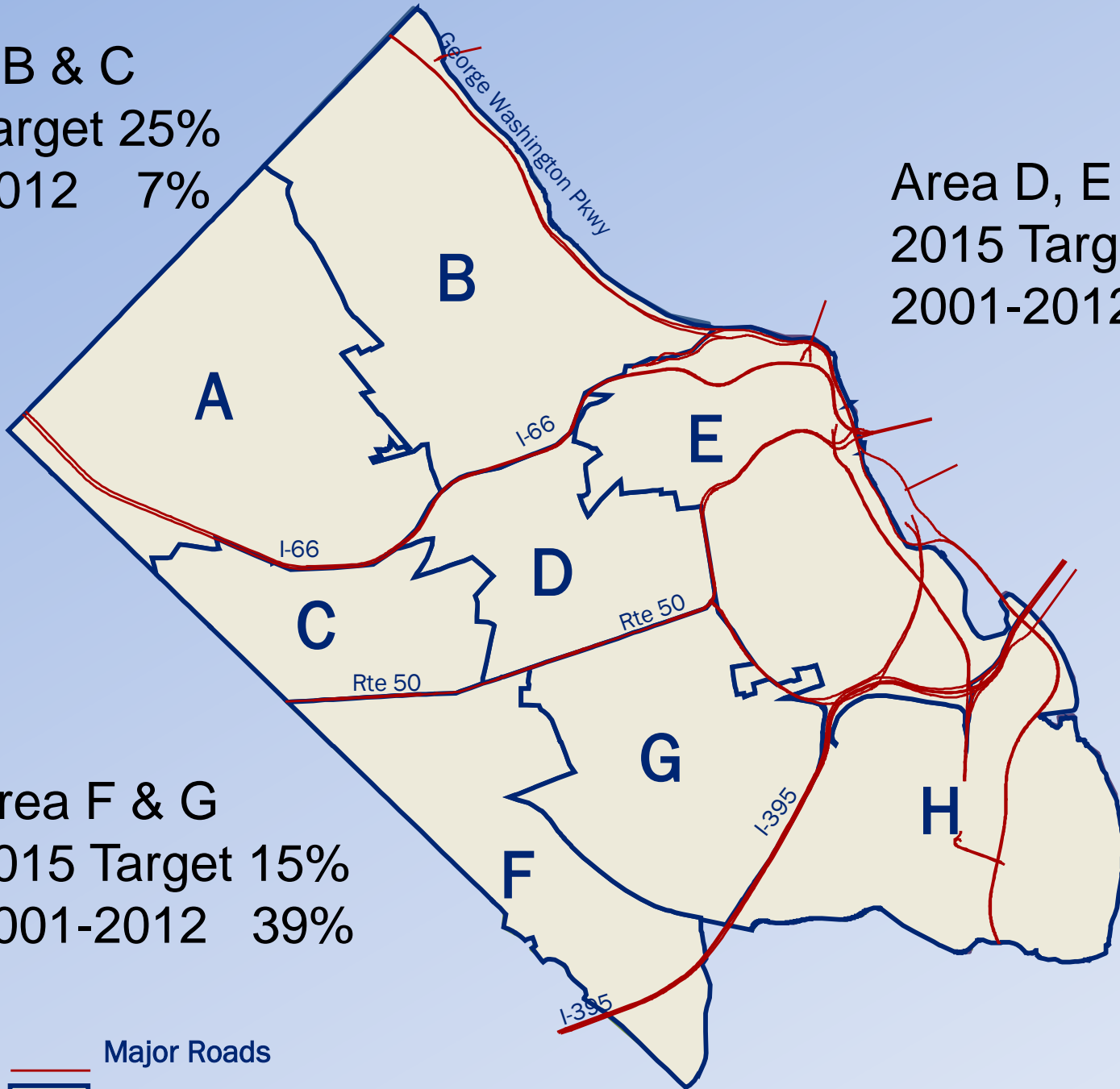
**Goal 8:** Distribute committed affordable housing within the County, neighborhoods, and projects.

**Target 8A:** Distribute non-elderly, rental committed affordable housing units added between FY2001 and FY 2015 in the following Neighborhood Service Areas (NSAs):

Area A, B & C  
2015 Target 25%  
2001-2012 7%

Area D, E & H  
2015 Target 60%  
2001-2012 54%

Area F & G  
2015 Target 15%  
2001-2012 39%



# Arlington County Committed Affordable Units (CAFs)

## Legend

-  Committed Affordable Units
-  Civic Association Boundaries

This map depicts the location and current number of the County's "committed affordable units" (CAF units). A CAF unit is defined by the County as one that is pledged by agreement with the County, State, or Federal Government to remain affordable to low and moderate income households for a specified period of time through mechanisms such as nonprofit ownership, site plan requirements, contracts with private owners, or IRS regulations governing tax-exempt financing.

Pursuant to Section 54.1-402 of the Code of Virginia, any determination of topography or contours, or any depiction of physical improvements, property lines or boundaries is for general information only and shall not be used for the design, modification, or construction of improvements to real property or for flood plain determination.

Map prepared by Arlington County:  
Department of Community Planning Housing and Development.  
Produced on 06/2010.

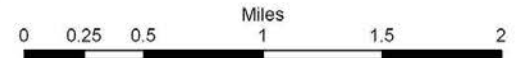


### Complex Name (CAF Units)

1. The Crescent (6)
2. ACRI - Group Home (6)
3. Westover Apartments (152)
4. Fisher House I & II (17)
5. Fisher House III & IV (16)
6. Ashton House I, II & III (28)
7. Cameron Commons (16)
8. Leckey Gardens (40)
9. Bromptons-Cherrydale (2)
10. Hunter's Park (74)
11. Calvert Manor Apts. (22)
12. William Watter's Apts. (21)
13. Colonial Village West (70)
14. Colonial Village (162)
15. Queens Court (39)
16. Key Boulevard Apts. (41)
17. Gallery at Rosslyn (38)
18. Bennett Park (14)
19. Rosslyn Ridge II (101)
20. Pierce - Queen Apts. (50)
21. Marbella Apts. (120)
22. Odyssey (21)
23. The Meridian III (17)
24. Courthouse Crossing (112)
25. Vista at Courthouse (12)
26. The Frederick (108)
27. Woodbury Park (364)
28. 2201 Pershing Dr. (18)
29. Barkalow (14)
30. The Views of Clarendon (70)
31. Library Courts (10)
32. Quincy Plaza (25)
33. Liberty Tower (6)
34. Clarendon Court Apts. (103)
35. South Ballston Place (10)
36. Historic Ballston Park (233)
37. Knightsbridge Apts. (37)
38. Whitefield Commons Apts. (64)
39. Culpepper Gardens I, II, III (353)
40. The Madison (100)

41. Buckingham Village 3 (140)
42. Gates of Ballston (348)
43. The Carlin (162)
44. Carlyn Springs Apts. (27)
45. Jordan Manor (90)
46. Patrick Henry (110)
47. Woodland Hill (235)
48. Monterey (109)
49. Sierra (10)
50. Harvey Hall (115)
51. Columbia Grove (210)
52. Key Gardens (22)
53. The Fields (189)
54. Buchanan Gardens (111)
55. Virginia Gardens (76)
56. Taylor Square Apts. (44)
57. Quebec Apts. (129)
58. Garfield Gardens (9)
59. Davis Place (10)
60. Ft. Myer I (12)
61. Ft. Myer II (10)
62. Oak Springs (52)
63. Arlington View Terrace (77)
64. Claridge House (300)
65. The Grammercy (20)

66. Lenox Club (77)
67. North Tract Lofts (15)
68. Lofts at Crystal Towers (12)
69. Berkeley (138)
70. Avalon at Arlington Square (64)
71. Arna Valley View (101)
72. The Grove @ Arlington Square (7)
73. 2485 S. Glebe Road (20)
74. Brunner Place (7)
75. Macedonia (36)
76. The Shelton (94)
77. Fort Henry Gardens (82)
78. Io Piazza (15)



# How to Achieve CAFS



## ➤ Planning and Finance Tools

- County seeks to use all available tools to achieve goals within the County vision
- Dillon Rule State – local governments only have powers specifically conferred on them by the Virginia General Assembly

# Existing Financing Tools

- **Affordable Housing Investment Fund (AHIF)**
- Federal HOME & CDBG
- Bonds
- Credit Facility
- Partial Tax Exemptions

# AHIF – The County’s Workhorse

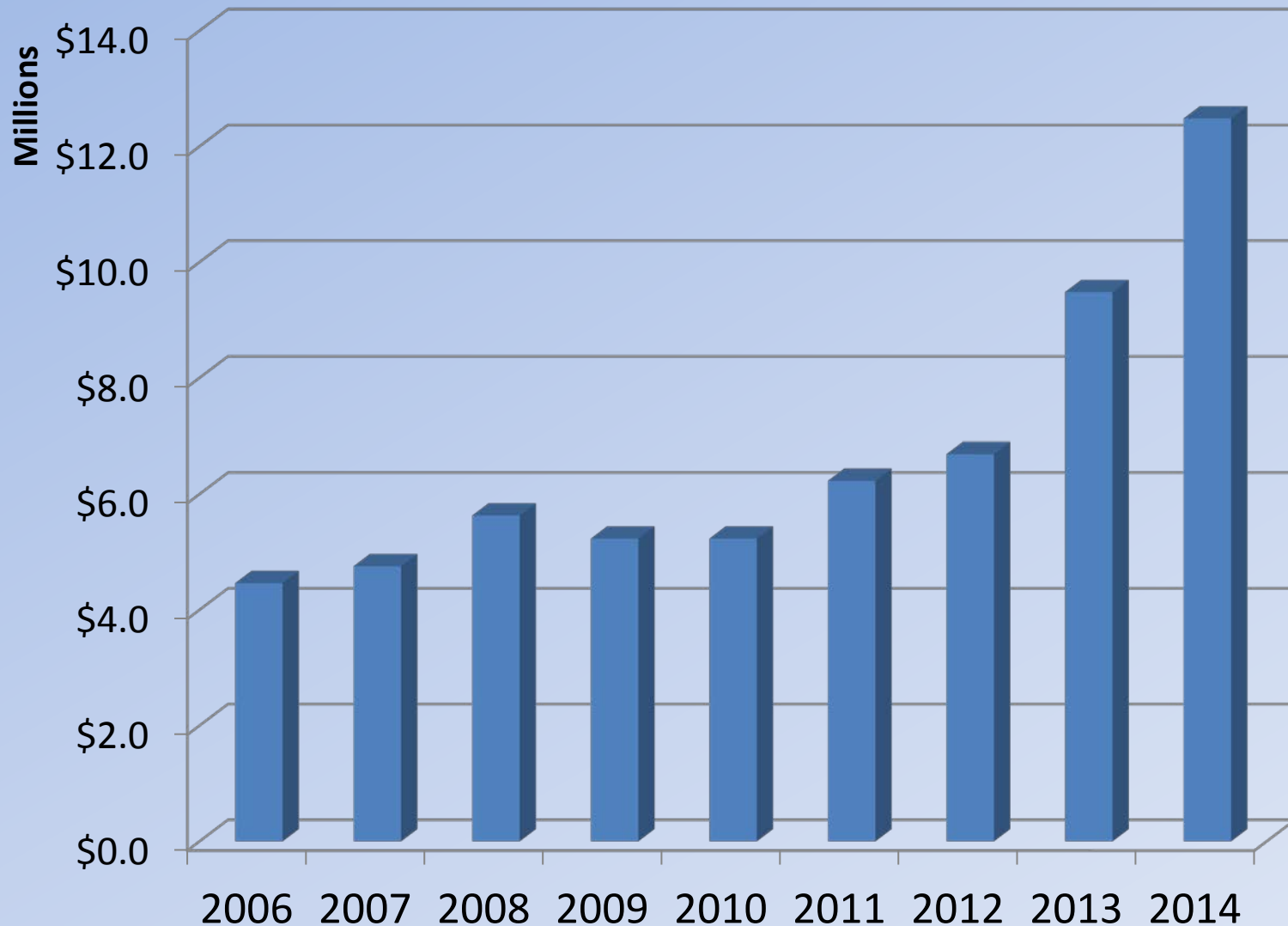
➤ Low interest, residual receipts loan from the County

➤ FY 2014 allocation = \$12.5 million

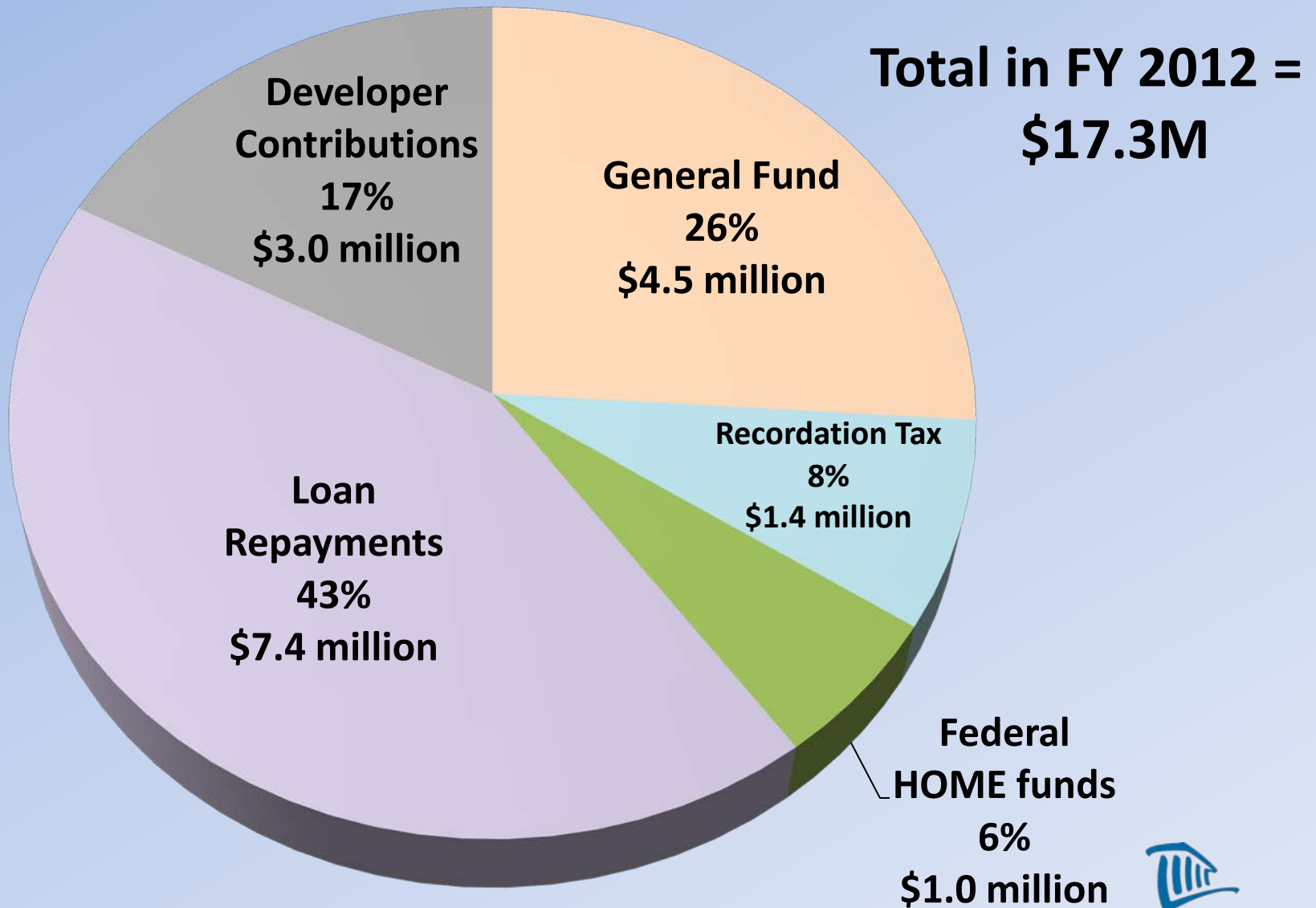
More CAFS for diverse & inclusive **NAYYYY**borhoods!!



# AHIF Funds Appropriated by County Board



# FY 2012 AHIF Components





# AHIF Gap Financing



## Construction Begins



**Arlington Mill Community Center & 122 CAFS**

# How AHIF Works – The Jordan (90 CAFS)



# How AHIF Works – The Jordan

Uses	
Acquisition	\$5,940,000
Hard Costs	\$17,720,831
Soft Costs	\$4,384,141
Developer Fee	\$3,000,000
<b>Total Cost</b>	<b>\$31,044,972</b>

Sources	
First Mortgage	\$7,540,000
LIHTC	\$10,765,972
Note for Land Value	\$2,440,000
Capital Contribution	\$1,000,000
Deferred Developer Fee	\$1,500,000
AHIF/HOME Loan	\$7,800,000
<b>Total Sources</b>	<b>\$31,044,972</b>

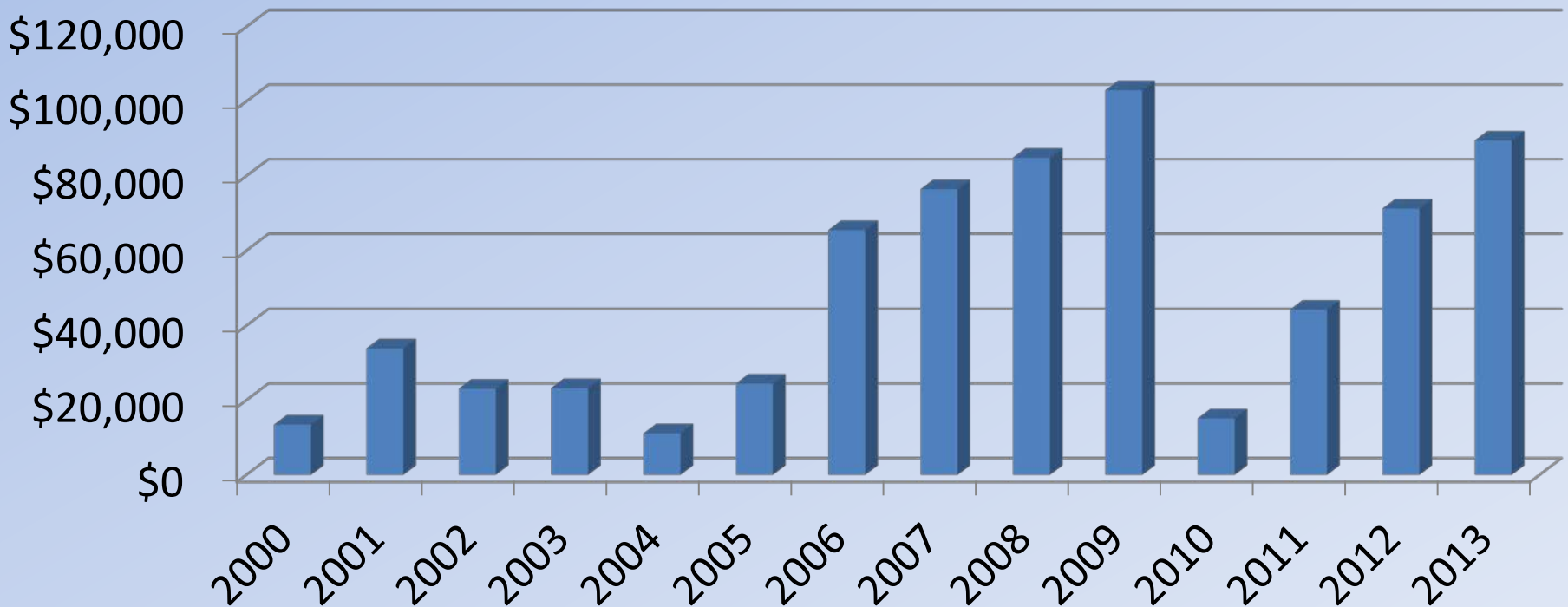
**TOTAL COST/UNIT = \$344,944**

**TOTAL AHIF/UNIT = \$86,667**

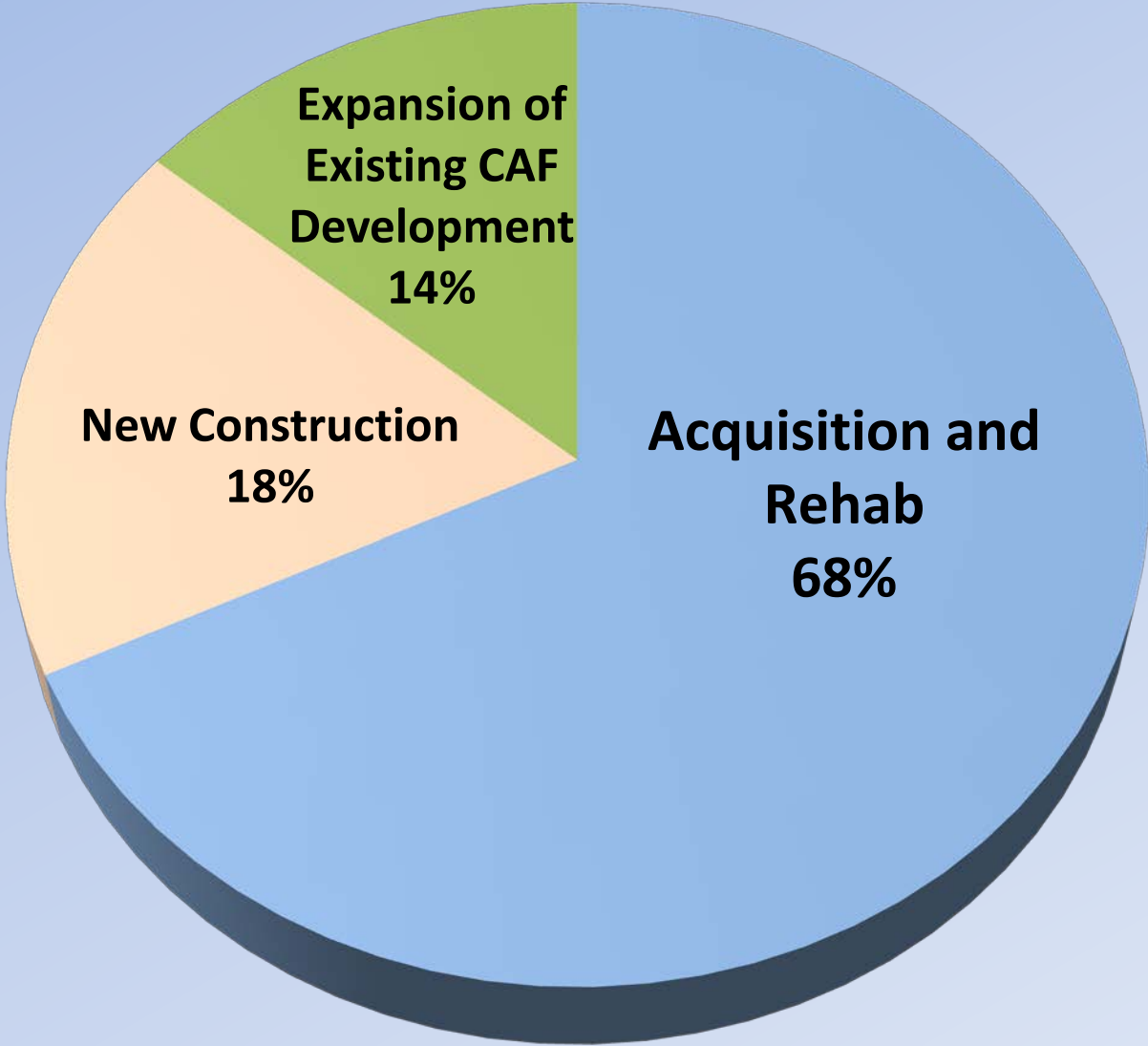
# The Cost of CAFS/Unit

- Avg. FY 2012 AHIF Cost = \$71,232/Unit
  - Since 2000 2,965 CAFS were created using financing tools (Avg. 228/year)

**AVG. AHIF COST/UNIT SINCE 2000**



# AHIF Financed Units by Type of Development



# Existing Planning Tools to Achieve CAFS

- **Site Plans – Affordable Housing Ordinance requirement of units or cash**
  - Bonus Density negotiable units or cash
  - Special Affordable Housing Protection District (SAHPD)
- **Use Permits**
- **Columbia Pike Form Based Code (FBC)**
- **Transfer of Development Rights (TDR)**

# Affordable Housing Ordinance – Units or Cash Contribution

## Units

- On-Site = 5% GFA above 1.0 FAR
- Off-Site Nearby = 7.5% GFA above 1.0 FAR
- Off-Site Anywhere – 10% GFA above 1.0 FAR

## Cash Contribution

FAR	Commercial	Residential
1.0 FAR	\$1.81/ Sq. Ft.	\$1.81/Sq. Ft.
1.0 – 3.0 FAR	\$4.83/Sq. Ft.	\$4.83/Sq. Ft.
3.0 – 5.0 FAR	\$4.83/Sq. Ft.	\$9.67/Sq. Ft.

# How the Ordinance Works – Cash Contribution

## Hypothetical Residential Scenario

- Site Area = 50,000 SF
- Project GFA = 162,000 SF
- **\$689,540 Total Cash Contribution**

3.0+ FAR  
\$9.67  
(12,000 SF)  
1.0 – 3.0 FAR  
\$4.83  
(100,000 SF)  
1.0 FAR \$1.81  
(50,000 SF)





# Ordinance Plus Bonus Density

## ADDITIONAL NEGOTIATION OF 20% - 50% OF BONUS AS AFFORDABLE UNITS

### Hypothetical Residential Scenario

- Site Area = 50,000 SF
- Total GFA = 202,500 SF
  - Base GFA = 162,000 SF
  - Bonus GFA = 40,500 SF (25% of base)

Bonus 40,500 SF  
8,100 - 20,250 SF of Affordable Units

Base 162,000 SF  
\$689,540 Cash Contribution or 8,100-16,200 SF of Units



# Special Affordable Housing Protection District (SAHPD)

- Adopted SAHPD in 1990 to promote retention of affordable housing in metro corridors
- Intent to ensure existing low- and moderate-income units remain or are replaced where development density on GLUP is 3.24 FAR or more

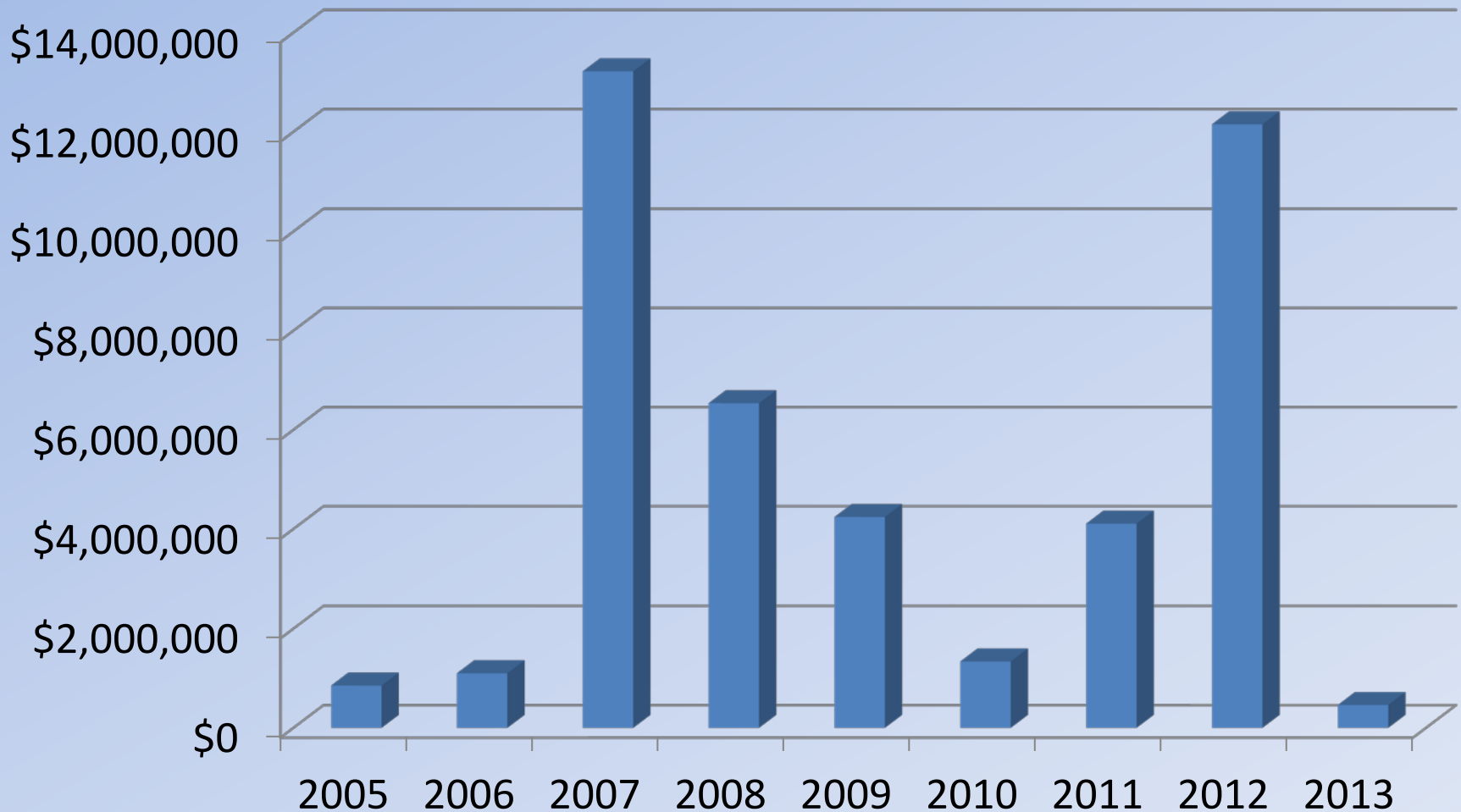


**Bennett Park in Rosslyn area  
SAHPD replaced 20-br with 23-br  
using bonus density**

# Cash Contribution from Planning Tools

## ANNUAL AHIF CONTRIBUTION

Year Board Approved - Anticipated and Paid

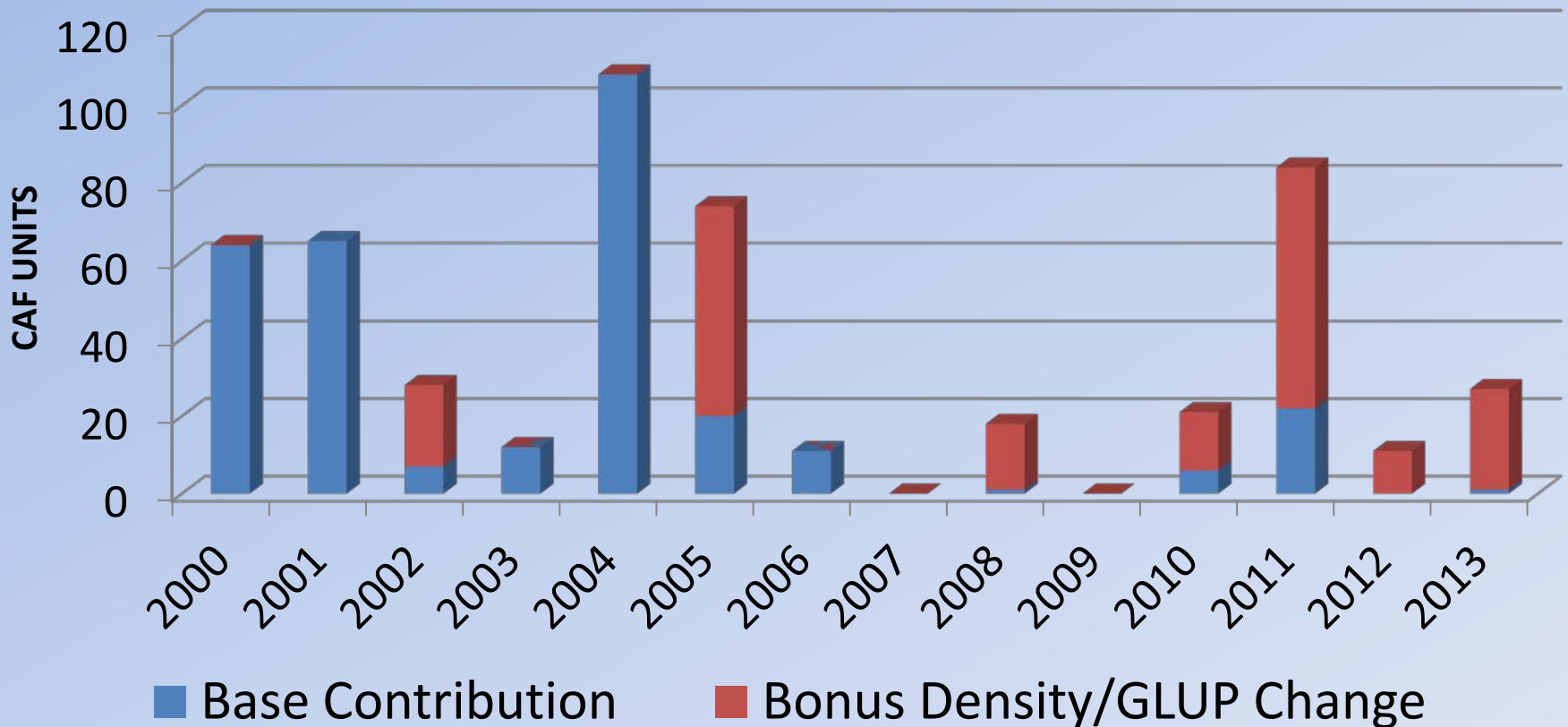


**TOTAL CONTRIBUTION SINCE 2005 = \$44,001,298**

# CAFS Created from Planning Tools

ANNUAL CAFS FROM SITE PLANS (DID NOT USE AHIF)

Anticipated and Built\*

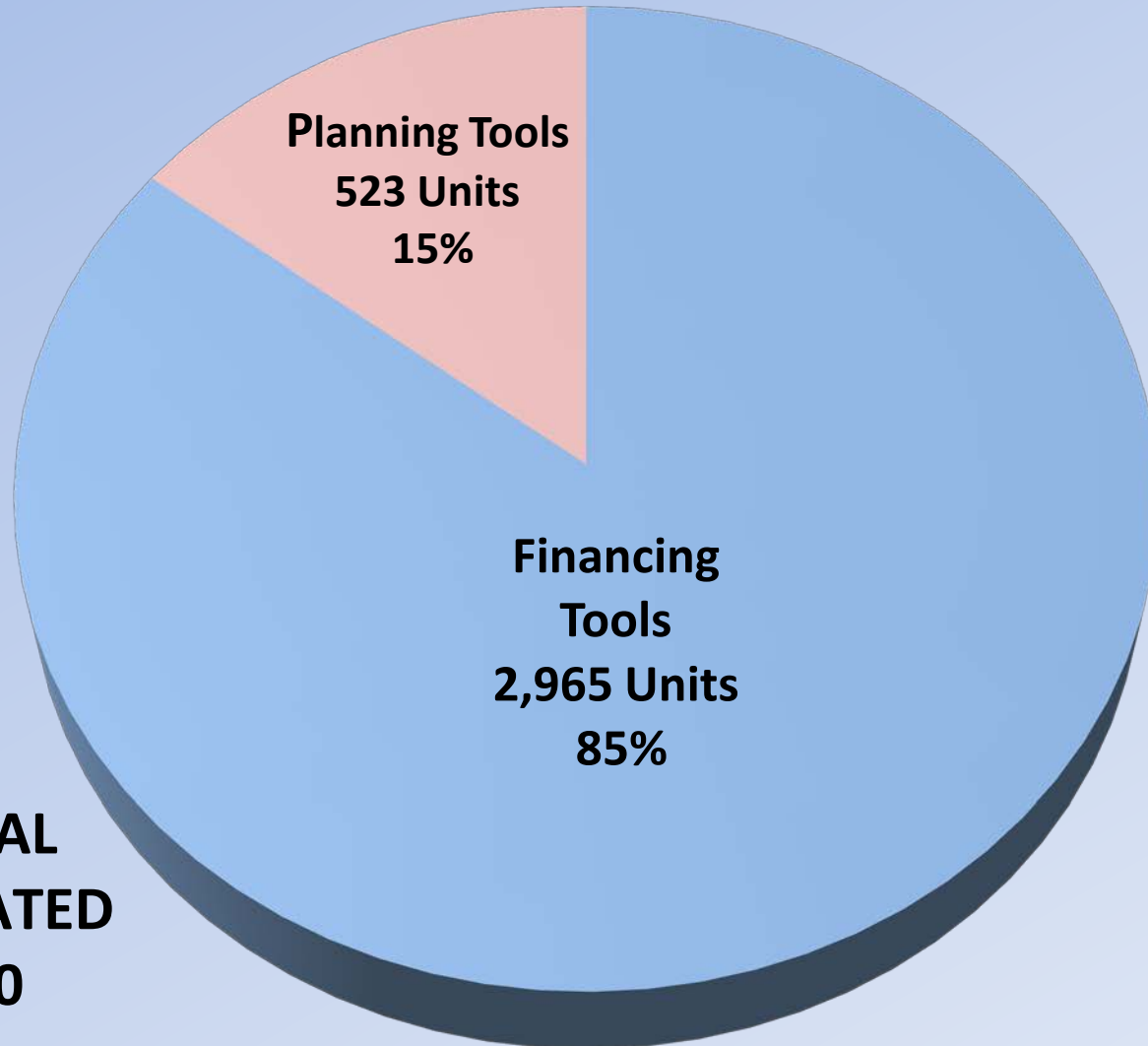


\*Year 2012 and 2013 units are anticipated and reflect the year the County Board approved the project

**TOTAL CAFS SINCE 2000 = 523 Units**

# Comparison of Planning & Financing Tools

## CAFS CREATED 2000 TO PRESENT



**3,488 TOTAL  
CAFS CREATED  
SINCE 2000**



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