

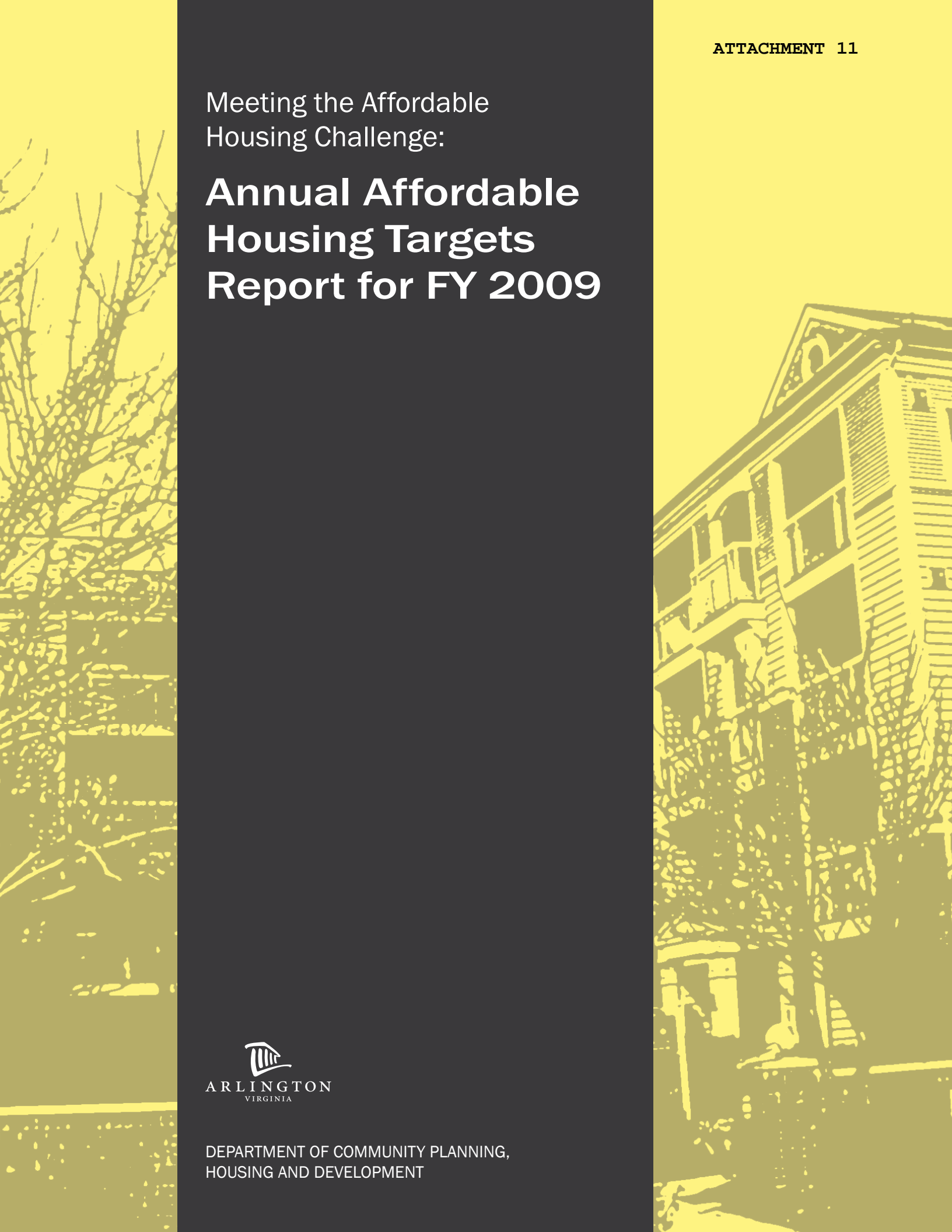
Meeting the Affordable  
Housing Challenge:

# Annual Affordable Housing Targets Report for FY 2009



ARLINGTON  
VIRGINIA

DEPARTMENT OF COMMUNITY PLANNING,  
HOUSING AND DEVELOPMENT



## HOUSING PRINCIPLES

1. Affordable housing should be a County priority.
2. Market rate affordable housing should be the primary means of providing affordable housing. The County should continue to support efforts to maintain and preserve that affordable housing supply and the surrounding neighborhoods.
3. A range of housing choices should be available throughout the County to accommodate households of all income levels, sizes and needs.
4. In providing housing assistance, priority should be targeted to the lowest-income households – low income households with children and low income households with members who are elderly or have disabilities.
5. Affordable housing should be used to help prevent homelessness and promote a diverse community.
6. Equal housing opportunity should be a reality. Housing discrimination should not exist in Arlington.
7. Households with children should never be homeless.

## HOUSING GOALS

The County Board is striving to achieve the following goals in full partnership with the state and federal governments and with the expectation that these partners will place a priority on funding affordable housing programs.

1. Balance support for the elderly and persons with disabilities with a transitional safety net for working families with children.
2. Ensure through all available means that all housing in Arlington County is safe and decent.
3. Permit no net loss of committed affordable housing, and make every reasonable effort to maintain the supply of affordable market rate housing.
4. Reduce the number of households in serious housing need (defined as those earning below 40% of median income who pay more than 40% of their income in rent).
5. Increase the number of housing units with two or more bedrooms in order to match the needs of households with children.
6. Distribute committed affordable housing within projects, within neighborhoods and throughout the County.
7. Increase the rate of home ownership throughout the County, and increase homeownership opportunities for low and moderate income households.
8. Ensure, through all available means, that housing discrimination is eliminated.
9. Provide housing services effectively and efficiently.

Adopted by the Arlington County Board  
December 9, 2000

## TABLE OF CONTENTS

Housing Principles and Goals .....	Inside Front Cover
Executive Summary .....	1
Housing Market Indicators.....	3
Goal 1: Balanced Assistance .....	6
Goal 2: Safe and Decent Housing .....	11
Goal 3: No Net Loss of Committed Housing.....	14
Goal 4: Serious Housing Need .....	20
Goal 5: Family-Sized Units.....	22
Goal 6: Distribution of Committed Housing .....	24
Goal 7: Homeownership .....	28
Goal 8: Housing Discrimination .....	31
Goal 9: Quality Service .....	32
Appendix 1: 2009 Rent and Vacancy Survey.....	33
Appendix 2: Update on the Affordability of the Rental Stock.....	35
Appendix 3: Accessory Dwelling Annual Report.....	37
Glossary.....	39



## EXECUTIVE SUMMARY

Arlington has nine Affordable Housing Goals, each with up to four numerical Targets. The Annual Affordable Housing Targets Report for FY 2009 begins with an overview of housing market indicators and follows with a section for each goal, presenting baseline data, FY 2009 data, and notes on performance for each Target.

**Background:** Many of the Targets are interrelated and some conflict with each other at times. For example, creating more family-sized housing units may result in a lower overall number of units created. In addition to the baseline, “stretch” Targets have been established for all goals and “aggressive” Targets for some, the latter reflecting a more ideal outcome. The ability to achieve stretch and aggressive Targets depends on resources, opportunities and overall economic conditions.

The Targets establish a long term vision of where the County ideally would like to be and provide a quantitative way to measure our progress. Thus, the “baseline” is at least as important a reference point as the Target. Success should be measured both from where we start as well as where we want to go.

**Review of the Targets:** The Goals and Targets establish the County’s objectives and outcome measures for affordable housing until FY 2010. Given that we are currently in FY 2010, a dialogue needs to occur on whether or not to continue these targets to 2015 or reexamine them to see if we need to be more aggressive in some and more realistic in others. As part of this dialogue, in the fall of 2008, the Housing Commission formed a subcommittee and invited an array of nonprofit developers, housing service providers, housing activists and County staff members to participate in the review of the Goals and Targets. The charge was three-fold: review and discuss the outcomes reported for each Goal and Target, note whether targets were being met, and make recommendations for refining existing targets or adding new ones to the Housing Commission and, ultimately, to the County Board. Additionally, one of the breakout sessions at the Consolidated Plan Forum was a public discussion of the County’s Goals and Targets, at which Housing Commission representatives described the Goals and Targets, discussed some proposed refinement to targets and solicited feedback from forum attendees. The Housing Commission’s recommendations will be forthcoming and further community discussion is needed to make sure that this is the right direction for affordable housing in Arlington County.

**Impact of and Response to the Current Economic Environment:** The current crisis gripping the worldwide economy and the resulting tightening of credit throughout the financial markets has impacted affordable housing development in Arlington and across the nation. Several key projects are, or may be, experiencing delays. In spite of receiving approvals for County funding and allocations of federal Low Income Housing Tax Credits through the state’s competitive process, projects still depend on the private lending market for bridge loans, bond financing and investors willing to purchase the bonds and credits at reasonable rates. At the same time, we are also seeing a significant increase in the number of County residents seeking assistance to maintain their housing and meet other basic needs.

Despite this, affordable housing and the development of new housing opportunities continue to be key priorities for Arlington County. In fact, more than ever, the importance of maintaining and enhancing our stock of committed affordable housing is critical to the economic health and well-being of the County, its diverse workforce, and in particular, those most in need.

- In December of 2008 the County Board added \$565,000 for safety net programs, a strategic use of scarce resources to make sure that the most vulnerable populations in Arlington are able to get emergency assistance. Funding was increased for several key programs including Housing Grants. Intake and assessment procedures were enhanced and a public awareness campaign was launched.
- Through an alliance of community leaders committed to ending homelessness, progress is being made on implementation of the Ten Year Plan to End Homelessness. Community agencies and staff meet regularly to develop specific actions, timetables, and budgets to implement this plan. Several recommendations have been submitted to the County Board for FY 2011 budget consideration.

- The American Recovery and Reinvestment Act of 2009 brought much needed help through infusions of Community Development and Community Services Block Grant funds, allowing us to assist nonprofits whose contributions are painfully low due to the recession; HOME Program funds to augment our Affordable Housing Investment Fund (AHIF); and funding for Housing Choice Vouchers to assist additional renters.

Finally, we must strategize what would be the best value of our limited resources and be prepared to take advantage of potential opportunities to acquire properties that may come on the market as a result of this crisis. It is likely that there will be some softening in prices which we have not seen in years, creating opportunities to invest scarce resources for long term benefits. At the same time the County is committed to working towards the completion of projects that have previously been approved but have been delayed because of the economic downturn. Arlington, unlike some neighboring jurisdictions, has maintained its level of tax support for affordable housing and has increased its commitment to homelessness prevention and other high priority “safety net” programs that are especially critical in the current economic environment.

**Progress toward Targets:** The County has made progress toward some of the goals.

Targets that measured progress in FY 2009 are described below.

- The number of multi-family complexes over 30 years old receiving **full code inspections** met the target of 5%, increasing from 3% in 2008. (Target 2D)
- The goal of expanding the County’s **total housing supply** by at least 13,000 units by FY2010 was achieved and surpassed with a total of 13,807 net new residential units being built from FY 2001 to FY 2009. (Target 3B)
- The number of households receiving **rental assistance** increased from 3,220 in FY 2008 to 3,277 in FY 2009, compared to the target of 4,000. This increase is due to the growth in the Housing Grant Program. However, to fully meet the target there would need to be a change in federal policy to provide more Section 8 Vouchers or the County would need to virtually double the Housing Grant budget. (Target 4A)
- Almost half of the 36 units (47%) added in FY 2009 were **family-sized**. Between FY 2001 and FY 2009, 49% of the rental committed affordable housing units added were family-sized. (Target 5B)

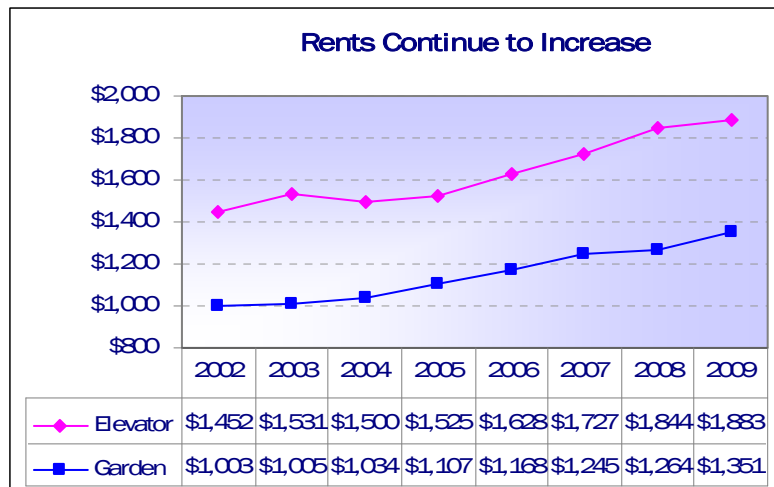
Some Targets with lower performance are described below.

- The number of **homeless families** leaving shelters and moving into permanent housing was 33%, short of the Target of 95%. There are numerous factors that limit families’ ability to obtain permanent housing which include poor credit history; limited number of slots in transitional programs; mental health and/or substance abuse issues; underemployment/ unemployment and lack of job skills or readiness. (Target 1B)
- A total of 56 **Committed Affordable Units** (CAFs) were added during FY 2009 compared to the target of adding 400 new units per year. The average annual number added from the base year of FY 2003 through FY 2009 is 323. The number of new CAFs in any one year relates to opportunities in the market. (Target 3C)
- The target for 25% of new CAFs to serve households with incomes **below 40% of median** in new CAFs was not met. Five units serving this very low income population were added, which constituted 14% of the CAFs added in FY 2009, which is up from 4% in FY 2008. (Target 4B)
- The County fell below its target of assisting 50 low income households to become **homeowners**, helping only 20 home buyers. The County Board recently approved modifications to this program that are designed to improve the ability of first time buyers to purchase moderately priced homes. (Target 7B)

## OVERVIEW: FY 2000-2009 HOUSING MARKET INDICATORS

### Rental Housing

- The 2009 Countywide average rent increased by \$63 per month to \$1,711, an increase of 4% over 2008. The average rent for elevator building units increased 2.1%, while the average rent for all garden apartments units increased 6.9%.



*Data Note: Figures shown are average rents from County Rent and Vacancy Surveys.*

- The February 2009 survey found a total of 41,548 units in 376 multi-family rental complexes, this is a net increase of 478 units. For more detailed information on the survey please see Appendix 1 at the end of this report.
- The overall vacancy rate for apartments increased slightly to 3.0% in 2009.
- In 2000 a unit at the average rent required an income of 52% of median; in 2009, this increased to 67% of median income, the same as in 2008.
- There has been a **6.4% increase in the housing stock affordable at 60%** of median income in the last year due to some softening of rents in the rental market coupled with the recent increase in HUD area median income levels. For more information on the market affordability of the rental stock please see Appendix 2 at the end of this report.

### Owner Housing

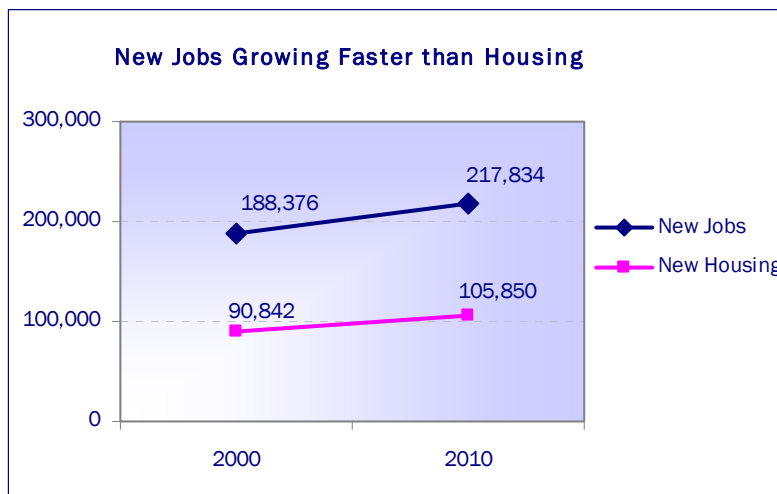
- The median sales price for the time period of September 2008 – July 2009 was \$670,000 for a single-family home and \$367,000 for a condo<sup>1</sup>, compared to \$715,000 and \$388,000 respectively for the time period from June 2007 to August 2008.

<sup>1</sup> Median home price data is from the Housing Division analysis of data from the County's Real Estate Records.

- Countywide, there was a net increase of 383 owner units in FY 2009: 374 condos, 8 single-family homes and 1 townhouse was added. This reflects the fact that several buildings that were originally intended to be developed as condominiums elected to revert to rental properties due to the softening in the home sales market.

### Jobs vs. Housing

- New jobs in the region continue to outpace new housing construction, with an estimated 29,500<sup>2</sup> new jobs between 2000 and 2010 as compared to only 15,000 new housing units.
- New jobs increase the number of people competing for housing and scarcity of units drives up prices.
- Based on the regional ratio of needing one housing unit for every 1.6 new jobs, 3,800 new affordable units would need to be added in Arlington between 2000 and 2010 to serve new workers.<sup>3</sup>



### Foreclosure Issue

- Arlington County has the lowest foreclosure rate in the Washington, DC region. The total number of foreclosures for Arlington County, according to Arlington County Real Estate Assessments, was 28 in 2006, 140 in 2007, 306 in 2008 and 109 from January to May 2009.
- Foreclosures peaked in April 2008 with 40. Bank sales remain high, reflecting the fact that most foreclosed properties are being resold relatively quickly into the private market.

<sup>2</sup> The projected number of new jobs by 2010 is from Arlington County's Round 7.0 Cooperative Forecast (October 2005).

<sup>3</sup> The ratio of new housing to new jobs is based on the work of Stephen Fuller, an economist at George Mason University.



- Foreclosure Rates for Arlington and the Region:  
(Source: RealtyTrac, December 2008, June 2009. *Foreclosure listings include Pre-Foreclosure, Auction and Bank Owned Properties*)

Jurisdiction	Foreclosure Rate June 2009	Foreclosure Rate December 2008
Arlington	0.77%	0.55%
Alexandria	1.33%	0.77%
Fairfax	1.31%	0.73%
Loudoun	1.63%	0.88%
Prince William	2.72%	1.56%
<i>Virginia Total</i>	0.92%	0.50%

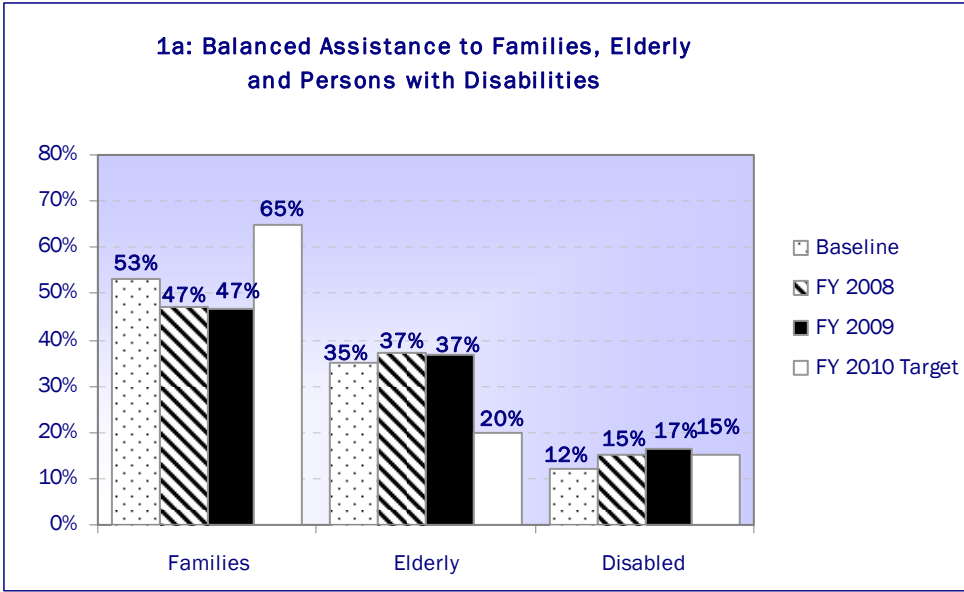
- 50% of Arlington foreclosures are in Zip Code 22204 (Columbia Heights West, Forest Glen, and Columbia Forest neighborhoods).
- County and Nonprofit Homeownership Staff have taken numerous steps to address the foreclosure issue which includes conducting homeownership and financial literacy classes; outreach at community events; providing direct loss mitigation counseling; and providing initial intake information to individuals facing foreclosure and referral to foreclosure prevention counselors.

# GOAL #1: BALANCED ASSISTANCE

*Balance support for the elderly and persons with disabilities with a transitional safety net for families with children.*

**Target 1A:** Provide assistance to priority households in the following proportions by FY 2010:

- 65% to families with children
- 20% for the elderly, and
- 15% for persons with disabilities.



- This is a 10-year Target. It focuses on increasing the share of affordable housing units and subsidies to families and persons with disabilities. Elders have received a disproportionate share of housing benefits over time.
- The graph above combines units and households and attempts to eliminate duplications (i.e. Section 8 or Housing Grants recipients living in Committed Affordable Units).
- The percentages breakdown between families, elderly and disabled remained roughly the same as in FY 2008.

**Rental and Owner Housing Assistance for Priority Households**

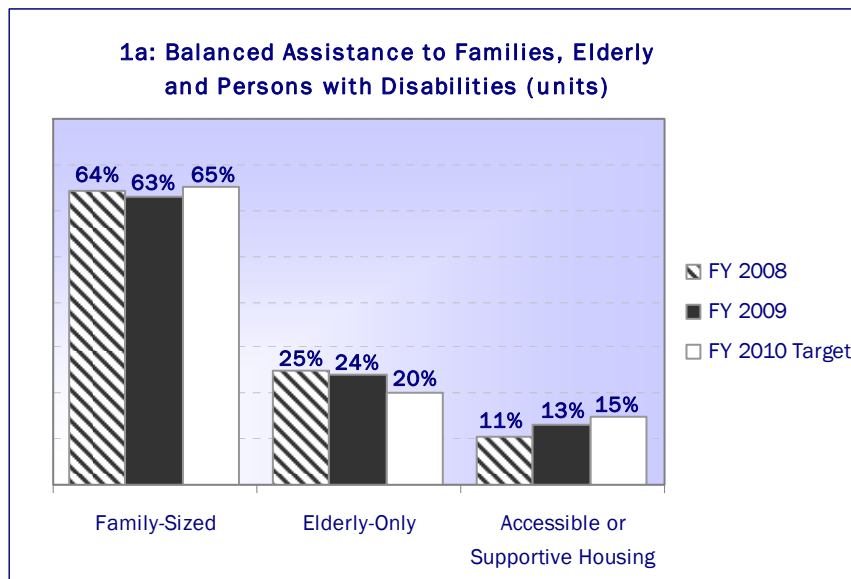
	Elderly	Disabled	Families
Rental CAF units*	870	147	2,075
Owner CAF units	2	16	516
Supportive Housing**		406	3
Real Estate Tax Relief	1,184	50	
HOPWA		4	
Section 8	335	314	653
Housing Grants	359	313	263
<b>Total</b>	<b>2,750</b>	<b>1,250</b>	<b>3,510</b>
<b>FY 2009</b>	<b>36.6%</b>	<b>16.6%</b>	<b>46.7%</b>
<b>FY 2010 Target</b>	<b>20%</b>	<b>15%</b>	<b>65%</b>

\*These numbers exclude the Section 8 and Housing Grants recipients living in elderly, accessible or family-sized CAF units. It also subtracts the four 2-bedroom Milestones units which are also CAFs but are counted in the supportive housing unit count. Due to the large number of disabled households receiving Section 8 or Housing Grants and living in CAF units, it is assumed that a quarter of the accessible CAFs are occupied by disabled Section 8/Housing Grants households.

\*\* This number is a sum of all permanent supportive housing units (i.e. those at Oak Springs, Columbia Grove, Gates of Ballston, and Views at Clarendon; Milestones I, II, III; Project Hope; CAFs designated for Project-Based rent assistance) Transitional Housing Grants; and group home beds for persons with mental illness, mental retardation or physical disabilities.

Source: DHS and CPHD

- The next two graphs provide the data in a different format from the graph above. These distinguish the affordable units from the owner and rental subsidies. Note that a unit captured in the first graph could be occupied by a person who received a subsidy captured in the second graph.
- Separating the data on units and subsidies facilitates identifying where major imbalances exist.
- The first graph displays the proportions of committed affordable units (CAFs) that are family-sized, elderly-only, and accessible or supportive housing units. This graph shows that the proportion of family-sized units is two percentage points less than the Target of 65%. The percentage of elderly-only units is higher than targeted and the percentage of accessible or supportive housing units is lower than targeted.



**Committed Affordable Units, Supportive Housing Units, and Group Home Beds**

	<b>Elderly-only</b>	<b>Accessible, Supportive Units and Group Home Beds</b>	<b>Family-Sized</b>
Committed Affordable Units (CAFs)			
Rental CAFs*	1,117	196	2,412
Owner CAFs	2	16	516
Supportive Housing Units and Group Home Beds			
Supportive Units**		231	
Mental Retardation		75	
Mental Illness		75	
Physical Disabilities		12	
<b>Total</b>	<b>1,119</b>	<b>605</b>	<b>2,928</b>
<b>FY 2009</b>	<b>24.1%</b>	<b>13.0%</b>	<b>62.9%</b>
<b>FY 2010 Target</b>	<b>20%</b>	<b>15%</b>	<b>65%</b>

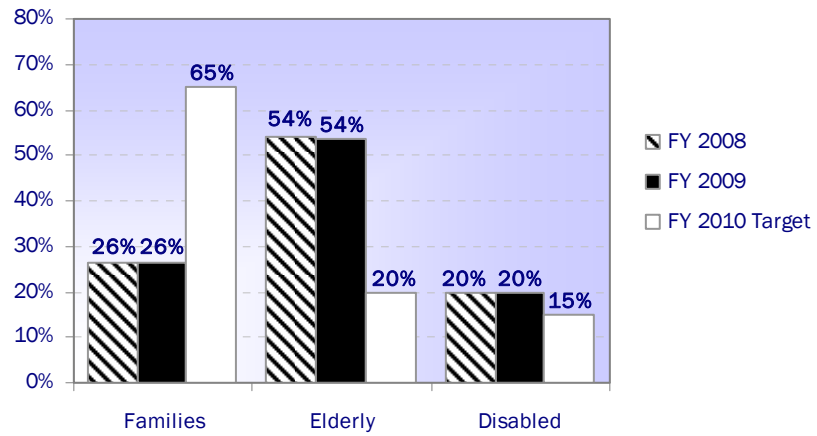
\*Accessible unit number excludes accessible units at elderly-only complexes and supportive housing units. These units are captured in the respective elderly and supportive unit counts. The family-sized unit number excludes family-sized units in elderly-only complexes and in Milestones I, II, and III units. Accessible family-sized units are also subtracted from this count as they are captured in the accessible unit count.

\*\*Includes Milestones I, II and III; Project Hope; and Project-Based Housing Grants

Source: DHS and CPHD

- The next graph displays the proportion of households served through rent subsidy and tax relief programs that are families, elders, and persons with disabilities. This graph shows that a larger percentage of persons with disabilities are served by subsidies than by units.
- This graph shows that the proportion of elderly receiving assistance is significantly higher than the Target. This large percentage of elders served relates to the Real Estate Tax Relief Program, which provided relief to 1,184 elderly households in FY 2009.
- The percentage of families served through subsidies is less than half of the percentage of families served by units.

**1a: Balanced Assistance to Families, Elderly and Persons with Disabilities (financial assistance)**

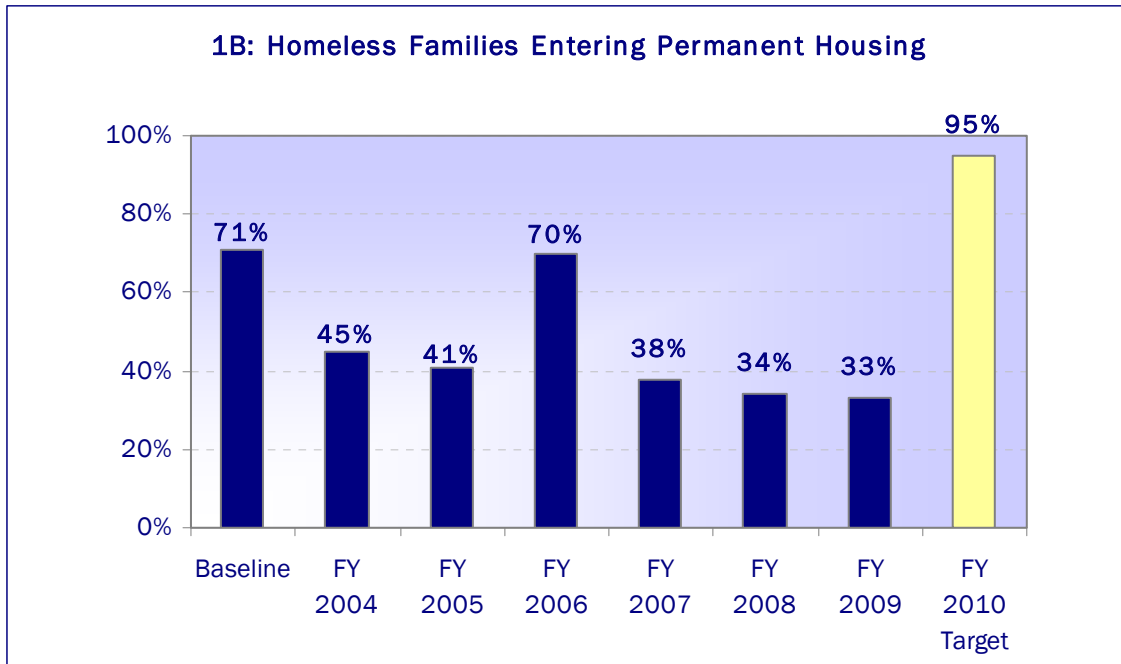


**Subsidy and Tax Relief Programs**

	Elderly	Disabled	Families
Real Estate Tax Relief	1,184	50	
HOPWA		4	
Section 8	335	314	653
Housing Grants	359	313	263
Transitional Housing Grants		13	3
<b>Total</b>	<b>1,878</b>	<b>694</b>	<b>919</b>
<b>FY 2009</b>	<b>53.8%</b>	<b>19.9%</b>	<b>26.3%</b>
<b>FY 2010 Target</b>	<b>20%</b>	<b>15%</b>	<b>65%</b>

Source: DHS and CPHD

**Target 1B: Provide permanent housing to at least 95% of sheltered homeless elders and families with children and for 65% of the sheltered homeless persons with disabilities by FY 2010.**



**Sheltered Homeless Families Entering Permanent Housing**

FY	Leaving Homeless Shelter System	Entering Permanent Housing	Percentage
2004	152	69	45%
2005	95	39	41%
2006	81	57	70%
2007	68	26	38%
2008	92	31	34%
2009	27	9	33%

Source: DHS, Homeless Services

- Factors limiting families' ability to obtain permanent housing include, but are not limited to:
  - Poor credit history (perhaps the biggest barrier) – This prevents a family from obtaining a lease on a unit which has been needed to get Housing Grants. A newly funded Transitional Housing Grants program will enable nonprofits to lease units and sublease to families.
  - Limited number of slots in transitional programs.
  - Mental health and/or substance abuse issues that make it hard to lease a unit and impair coping skills.
  - Underemployment/unemployment and/or lack of job skills or job readiness.

## GOAL #2: SAFE AND DECENT HOUSING

*Ensure through all available means that all housing in Arlington County is safe and decent.*

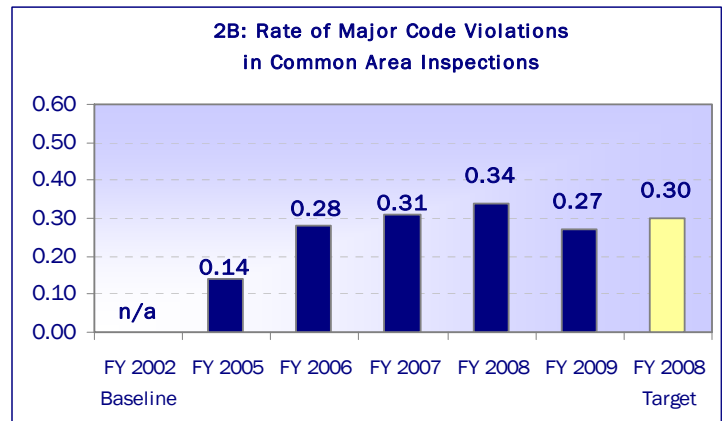
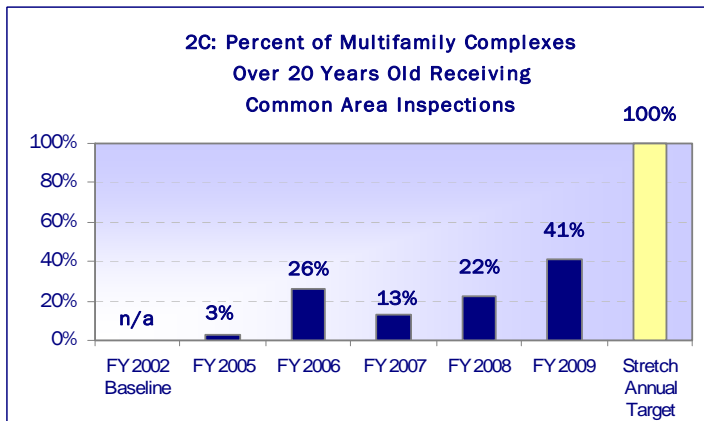
**Target 2A:** Ensure that 100% of multi-family rental housing units have no major violations that are not corrected within the standard time permitted by the appropriate code enforcement agency by FY 2010.

- All major violations were corrected or remediated within the time frame prescribed by the inspectors. Due to the severity of these violations—often including life-safety issues—inspectors work aggressively to ensure compliance in the timeframe given. For example, with lack of heat in winter, either the heat was restored or the tenants were provided space heaters or relocated to suitable facilities.

**Target 2B:** Reduce the rates<sup>4</sup> of major violations in [common area inspections of] multi-family rental housing by 10% each year.

**Target 2C:** Conduct annual common area inspections<sup>5</sup> of all multi-family rental complexes over 20 years old.

### Common Area Inspections



*Data Note: The FY 2009 Target is equal to a 10% decrease in the FY 2008 rate of 0.34*

<sup>4</sup> **Rate of major common area housing code violations** is defined as:

$$\frac{\text{Number of major common area housing violations}}{\text{Number of multi-family rental complexes over 20 years old}}$$

<sup>5</sup> **Common Area Inspections:** Inspections of common areas in rental projects include inspections of all exterior grounds, trash areas, hallways, stairways, laundry rooms and mechanical rooms. The areas are inspected for violations of the Virginia Uniform Statewide Building Code/Part III. Maintenance of Existing Structures (International Property Maintenance Code), the International Fire Code, the Arlington Zoning Ordinance, the Arlington Condition of Private Property ordinance (formerly the Care of Premises ordinance), and the Arlington Abandoned/Junk Vehicle ordinance.”

### Common Area Inspections

FY	# of Complexes 20 Years & Older	# of Complexes Inspected	Percentage
2004	344	28	8%
2005	345	11	3%
2006	340	88	26%
2007	344	46	13%
2008	331	72	22%
2009	342	141	41%

Source: CPHD, Code Enforcement Office and Housing Division's Housing Database.

### Common Area Inspections: Major Violations

FY	# of Buildings inspected	# of Major Violations	Rate
2004	367	71	0.19
2005	51	7	0.14
2006	130	36	0.28
2007	122	38	0.31
2008	200	68	0.34
2009	503	146	0.27

Source: CPHD, Code Enforcement Office and Housing Division's Housing Database.

- The increase in the number of major violations is due to increased inspections and more vigorous enforcement as well as a decrease in maintenance staff at most multiple dwellings due largely to the financial crisis.
- The performance toward Target 2C improved significantly from 22% in FY 2008 to 41% in FY 2009.
- The common area inspections program is intended to both provide an indicator of the condition of older complexes for year-to-year comparisons and serve as a deterrent to poor maintenance.
- The rate of major violations<sup>6</sup> for common area inspections is below the Target set for FY 2009. It should be noted that different complexes may be inspected in any given year.

**Target 2B: Reduce the rates<sup>7</sup> of major violations in [full code inspections of] multi-family rental housing by 10% each year.**

**Target 2D: Conduct annual full code inspections<sup>8</sup> on 5% of all multi-family rental units over 30 years old.**

<sup>6</sup> **Major violations** are defined as life-safety issues that may include a range of fire hazards (such as no functioning smoke detector), lack of heat or hot water, lack of adequate plumbing facilities, overcrowding, accumulation of rubbish, infestation (e.g., by rats), cracks in exterior walls, problems with the roof or drainage and hazards affecting stairways, decks, porches or balconies.

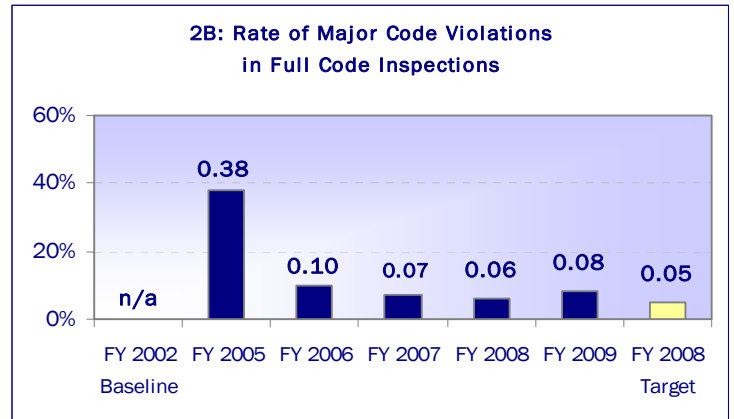
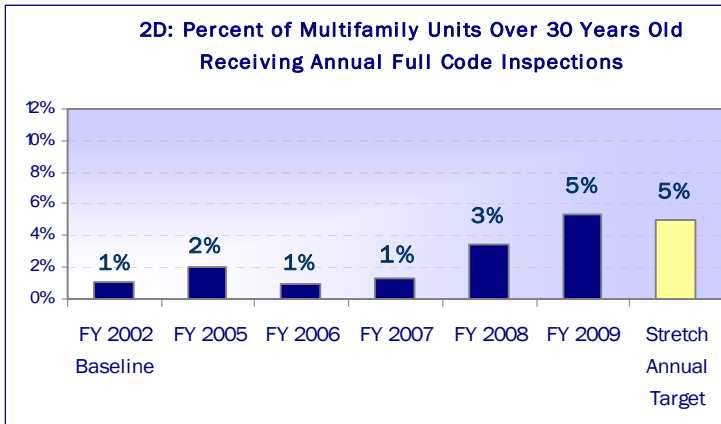
<sup>7</sup> **Rate of major housing code violations in full code inspections** is defined as:

$$\frac{\text{Number of major violations (common area and unit) from full code inspections}}{\text{Number of units inspected in full code inspections}}$$

<sup>8</sup> **Full code inspections** are comprehensive inspections by Community Code, Building and Fire Inspectors of: 1) all common areas and 2) either 100% of the units of small projects (70 or fewer units) or 50% of the units at larger complexes. Additional units may be inspected if warranted.



## Full Code Inspections



*Data Note: The FY 2009 Target is equal to a 10% decrease in the FY 2008 rate of 0.06*

### Full Code Inspections

FY	# of Units Inspected	# of Units 30 Years & Older	Percentage
2004	819	25,250	3%
2005	625	25,523	2%
2006	378	25,327	1%
2007	336	25,310	1%
2008	868	25,367	3%
2009	1,344	25,537	5%

Source: CPHD, Code Enforcement Office and Housing Division's Housing Database.

### Full Code Inspections: Major Violations

FY	# of Units Inspected	# of Major violations	Rate
2004	819	219	0.27
2005	625	235	0.38
2006	378	38	0.10
2007	336	25	0.07
2008	868	45	0.06
2009	1,344	101	0.08

Source: CPHD, Code Enforcement Office and Housing Division's Housing Database.

- The achievement for Target 2D continued to improve and met the target of 5% in 2009.
- Complexes are chosen for full code inspections based not only on age but also on the complaints and issues associated with them.
- The rate of major violations in full code inspections increased slightly from FY 2008 to FY 2009. Since the program involves the inspection of different complexes each year, it is difficult to draw conclusions as to the reason for a decrease in the rate of major violations.

## GOAL #3: LOSS OF AFFORDABLE HOUSING

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

### Target 3A: Replace all 73 committed affordable housing units expiring by FY 2010.

- The 73 units that will expire by FY 2010 are listed below. Staff will explore the possibility of renewing the commitment of affordability on these units.

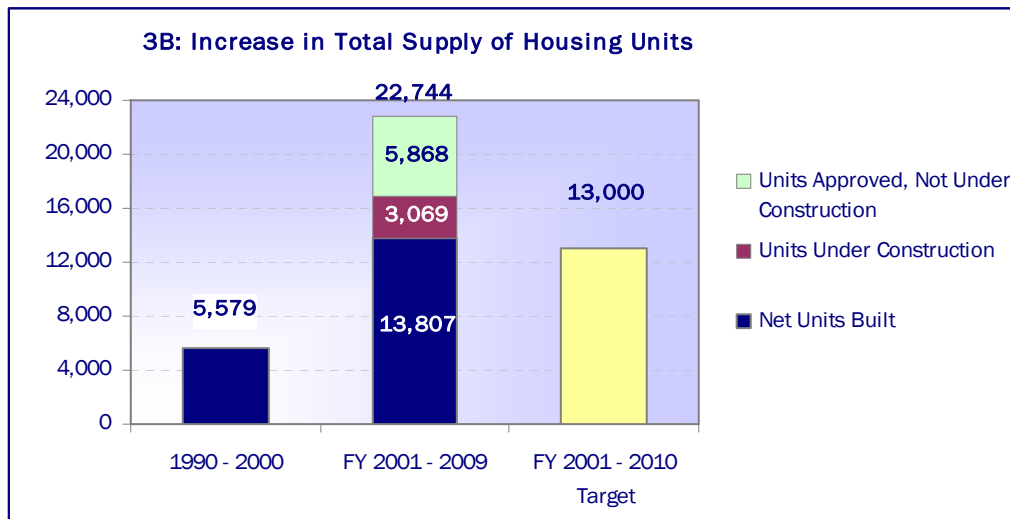
**CAF Units Expiring by FY 2010**

Name of Project	Number of Units	Year of Expiration
Meridian I	39	2009
Meridian II	30	2009
Single-family homes	4	2007 & 2008
<b>Total</b>	<b>73</b>	

Source: CPHD, Housing Division

- The 69 units at Meridian I and II are units affordable to households earning 80% of median income. The four single-family homes were part of a single-family house rehab program.
- Target 3C is to increase the supply of CAFs by 400 net new units per year. If the contracts on Meridian I and II CAF units are not renewed, the gross goal of new CAFs in FY 2009 would be 469.

### Target 3B: Expand the County's total housing supply by at least 13,000 units by FY 2010.



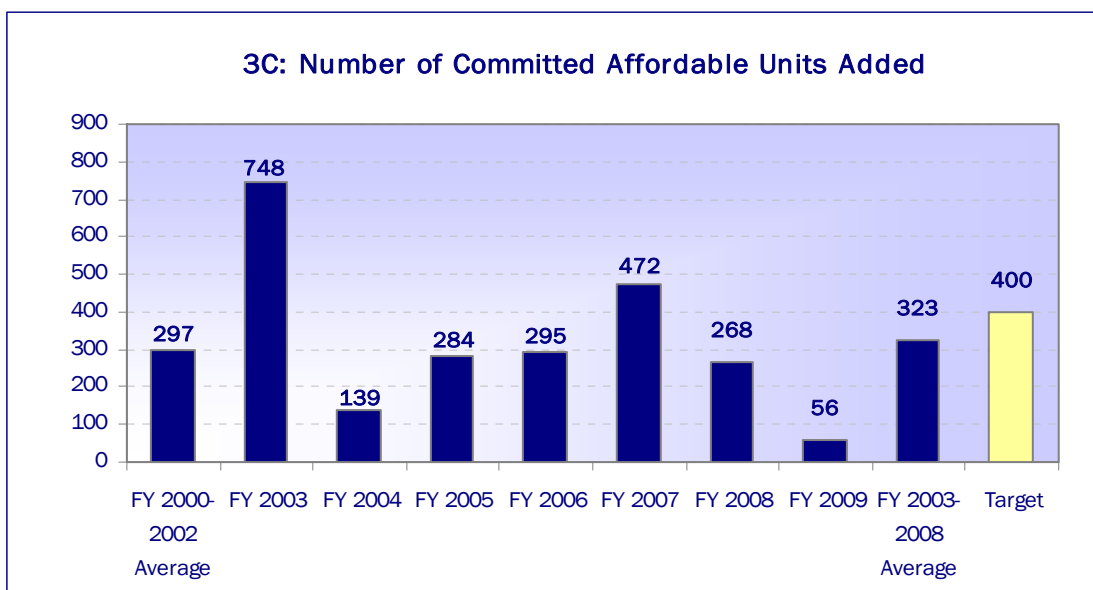
**Net New Residential Units (FY 2001 – FY 2009)**

	FY 01	FY 02	FY 03	FY 04	FY 05	FY 06	FY 07	FY 08	FY 09	FY 01- FY 09
Single-family detached	38	69	24	30	7	28	52	39	8	295
Townhouse	62	35	131	34	85	38	-53	69	1	402
Multi-Family	560	2,809	1,066	904	1,016	445	2,614	1,985	1,711	13,110
Rental	560	2,442	1,017	339	490	-169	1,080	1,524	1,337	8,620
Condo	0	367	49	565	526	614	1,534	461	374	4,490
<b>Total</b>	<b>660</b>	<b>2,913</b>	<b>1,221</b>	<b>968</b>	<b>1,108</b>	<b>511</b>	<b>2,613</b>	<b>2,093</b>	<b>1,720</b>	<b>13,807</b>

Source: CPHD, development tracking database.

- The total of 13,807 net new residential units built from FY 2001 to 2009 is greater than the housing production of the entire 1990s.
- At the end of FY 2009, a total of 5,868 units were in the pipeline and another 3,069 were under construction.
- The Target of adding 13,000 units was met this year.
- The Target to add 13,000 new residential units during the 10-year period was based on Arlington County's Cooperative Forecasts (Round 6.4), which estimated that roughly this number of new units would be added. There have been two subsequent forecasts and the latest, Round 7.0 (October 2005), estimates nearly 15,500 to be added by 2010. The number of units built, under construction and completed has surpassed that estimate, with 22,744 at the end of FY 2009.

**Target 3C: 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 4, 5, 6 and 7.**



**New Committed Affordable Units Added by Fiscal Year**

FY	Complex	Total Units	Total Committed Affordable Units
2003		1,137	748
2004		372	139
2005		2,030	284
2006		797	295
2007		1,217	472
2008		784	268
2009			
Rental	Macedonia	36	36
Owner	Miscellaneous owner programs	10	10
	Davis Place	10	10
<b>FY 2009 Total</b>			<b>56</b>
<b>FY 2003 – 2009</b>	<b>Average Net New Committed Affordable Units (CAFs)</b>		<b>323</b>

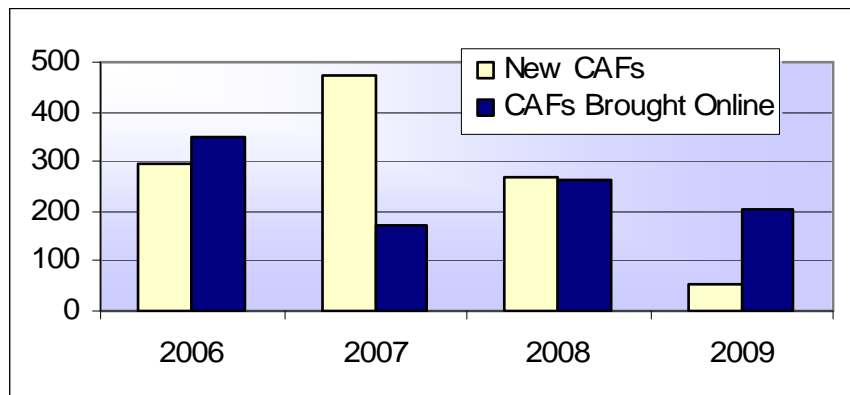
Source: CPHD, Housing Division

Data Note: Site plans by for-profit developers are shown as “Committed Affordable Units” when construction begins so some projects approved by the County Board during FY 2008 do not appear above.

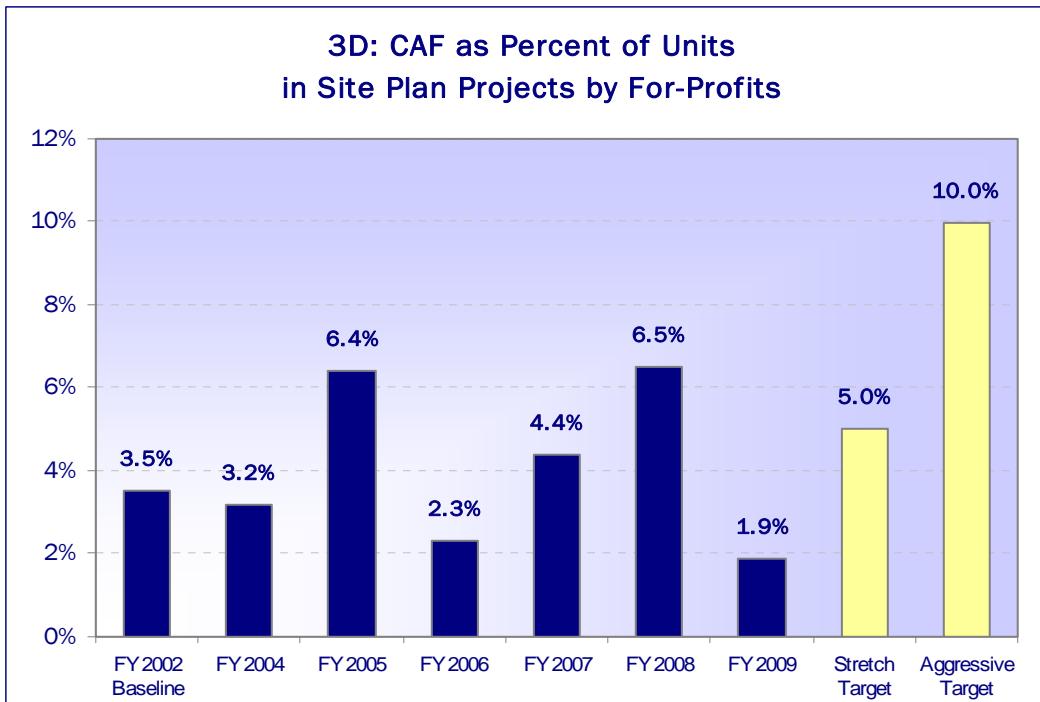
- The County has added an average of 323 new committed affordable units (CAFs) annually between FY 2003 and 2009, compared to the target of adding 400 new CAFs annually.
- Of the 56 CAFs added, 36 were rental and 20 were owner CAFs. Several projects were delayed due to the economy during this period.
- The total CAF rental supply as of FY 2009 equaled 5,927 units.

**County Allocates over \$19 Million for Affordable Housing Development**

The County Board has made extraordinary efforts over the past year to ensure that projects that have been stalled as a result of the recession are able to move forward, including the Views at Clarendon, Macedonia Apartments and The Jordan. A total of 206 previously committed CAF units came online, which include units at Vista on Courthouse, The Shelton and The Madison.



**Target 3D:** Encourage for-profit developers to provide at least 10% of all new units in residential site plan projects as affordable. If the density bonus is used, target 50% of the bonus units as affordable.



*Data Note:* The FY 2006 - 2009 percents will likely change because projects will comply with the new site plan requirements for affordable housing. The developer will decide whether there will be on-site or off-site units or a cash contribution at the time of applying for a Certificate of Occupancy.

**Residential Site Plan Approvals for For-Profit Developers<sup>1</sup>**

FY	Units	CAF Units	Percent CAFs
2004	2,596	84	3.2%
2005	643	41	6.4%
2006	1,542	35	2.3%
2007	2,390	100	4.2%
2008	1,114	72	6.5% <sup>2</sup>
2009			
Founders Square	362	19	5.2% <sup>2</sup>
Metropolitan Park III	411	*	
2009 - North 14 <sup>th</sup> St	254	*	
<b>FY 2009 Total</b>	<b>1,027</b>	<b>19</b>	<b>1.9%<sup>2</sup></b>

<sup>1</sup>Small townhouse projects not included.

<sup>2</sup>This percent could change based on the factor described below.

\*These projects will comply with the new site plan requirements for affordable housing. The developer will decide whether there will be on-site or off-site units or a cash contribution at the time of applying for a Certificate of Occupancy.

Source: CPHD, Housing Division

- Per the footnotes on the preceding table, the initial estimate for the percent of affordable units in site plan projects approved in FY 2009 is 1.9%.
- In FY 2002, the baseline year, seven site plan projects by for-profit developers were approved, four of which included on-site affordable units. This produced a baseline of 3.5% of new site plan units being dedicated to remain affordable. Of the four projects that included on-site affordable units, three received bonus density for the affordable units and one project included 12 affordable units in the base density.
- In December of 2005, the County Board approved amendments to the County's Zoning Ordinance that include affordable housing requirements for site plan projects. This action concluded six-months of meetings and negotiations through the Arlington Affordable Housing Roundtable, which was chaired by County Board member Jay Fiset (then chairman) and included participants from the development community, civic groups, housing advocates and the Planning and Housing Commissions.
- The requirements of the new Affordable Housing Ordinance are designed to foster creation of affordable housing and to streamline the approval process. The developer chooses whether to provide:
  - 5% of the Gross Floor Area (GFA) as on-site affordable units;
  - 7.5% of the GFA as affordable units off-site nearby;
  - 10% of the GFA as affordable units anywhere in Arlington County; or
  - Cash contributions: \$1.70/sq. ft. of GFA for first 1.0 FAR; \$4.54/sq. ft. from 1.0 to 3.0 FAR for residential; \$9.10/sq. ft. of GFA above 3.0 for residential; and \$4.54/sq. ft. above 1.0 FAR in commercial<sup>9</sup>.
- Developers agree to fulfill the affordable housing requirement at the time of site plan approval. However, they do not need to declare which of the four options they choose until they file for a Certificate of Occupancy for the project. Some projects, because of increases in density, agree to provide units at the time of approval. The potential performance toward this target is shown on the following table using the GFA formulas to estimate the number of units or amount of contributions which might result.

**Potential Benefits from Residential Site Plans Approved under the Affordable Housing Ordinance (For-Profit Developers)**

FY 2009 Approved Site Plans	Total Project Units	Alternative Benefits from Affordable Housing Ordinance			Contribution Option
		Units if 5% of GFA	Units if 7.5% of GFA	Units if 10% of GFA	
Founders Square – Opt 1	362	19	0	0	0
Opt 2		13	0	0	\$900,000
Metropolitan Park III	411	17	26	35	\$2,809,000
2009 – North 14 <sup>th</sup> St	254	11	16	22	\$1,431,602
<b>FY 2009 Total</b>					

\*Units and contribution calculated on both residential and commercial density permitted within the existing General Land Use Plan (GLUP). Bonus density or additional density resulting from a change to the GLUP will result in a higher overall contribution.

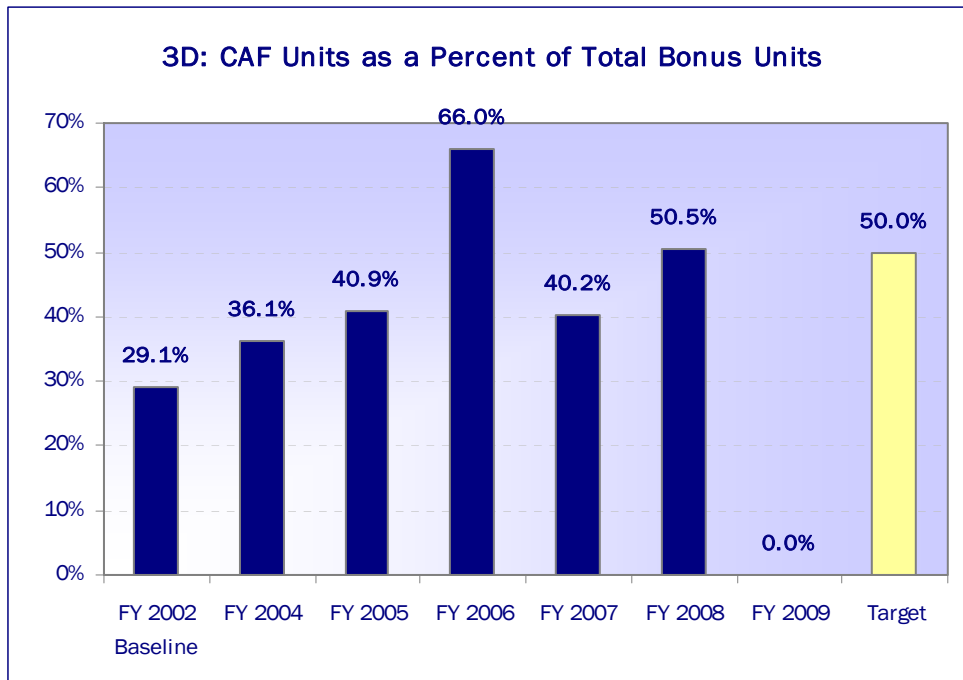
<sup>9</sup> Cash contribution amounts are indexed to the Consumer Price Index for Housing in the Washington-Baltimore MSA. These are the 2009 figures.

**Approved Bonus Density for Affordable Housing  
(For-Profit Developers)**

<b>FY</b>	<b>Number of Bonus Units</b>	<b>Number of CAFs in Bonus</b>	<b>CAFS as Percent of Bonus</b>
2004	97	35	36.1%
2005	66	27	40.9%
2006	47	31	66.0%
2007	249	100	40.2%
2008	95	48	50.5%
<b>2009 Total</b>	<b>0</b>	<b>0</b>	<b>0%</b>

Source: CPHD, Housing Division

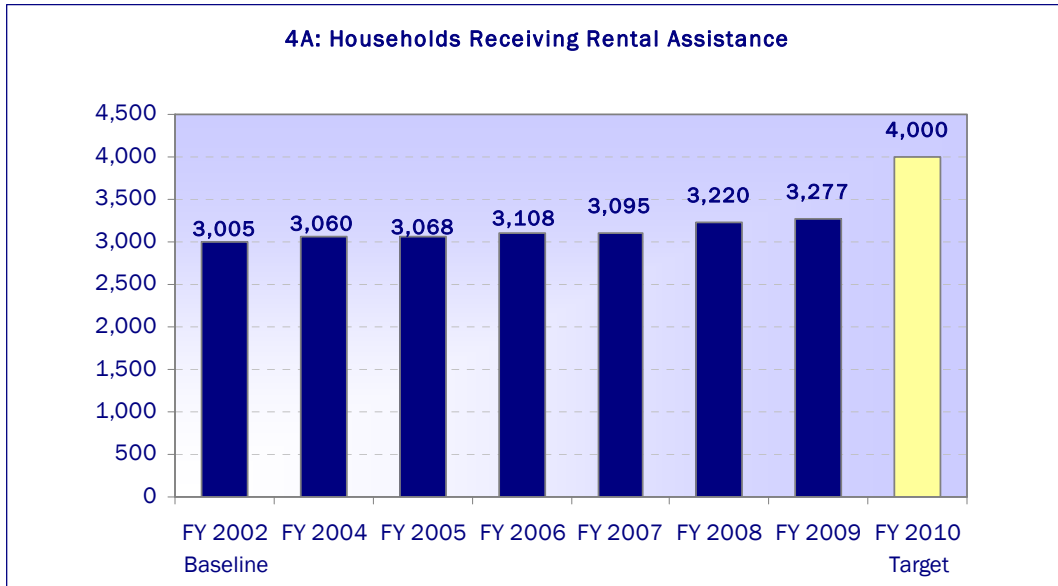
- The density bonus for rental affordable housing, as originally implemented, used the income from the market rate units to offset the cost of the affordable units and, in the baseline year FY 2002, resulted in projects with roughly 29% of the bonus units being affordable.
- While the aggressive Target aims for 50% of bonus units as affordable, the recent focus has aimed for 50% of the Gross Floor Area (GFA) as affordable. This allows for flexibility in unit mix, for example, getting fewer units but larger ones.
- No projects in FY 2009 took advantage of the bonus density.



## GOAL #4: SERIOUS HOUSING NEED

*Reduce the number of households in serious housing need  
(defined as those earning below 40% of median income  
who pay more than 40% of their income for rent).*

**Target 4A:** Increase the number of households receiving rental assistance to 4,000 by FY 2010.



### Rental Assistance

	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Section 8, Housing Vouchers, and project-based Section 8 (administered or monitored by County)	1,566	1,566	1,566	1,566	1,461	1,461
Other Section 8 and Section 202 (not administered or monitored by County)	785	785	785	785	855	855
Housing Grants	676	676	718	710	871	934
Housing Opportunities for Persons with AIDS (HOPWA)	19	15	13	10	10	4
Milestones I	9	9	9	10	9	8
Milestones II and III		12	12	9	9	10
Project HOPE - Program for Assertive Community Treatment (PACT)	5	5	5	5	5	5
<b>Total</b>	<b>3,060</b>	<b>3,068</b>	<b>3,108</b>	<b>3,095</b>	<b>3,220</b>	<b>3,277</b>

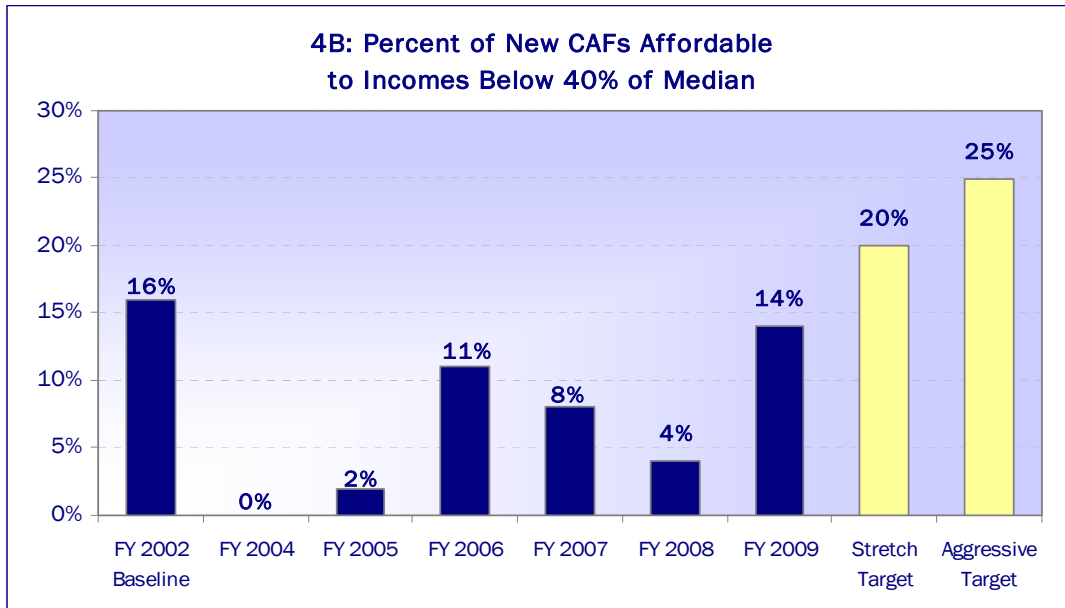
Source: DHS and CPHD

- Department of Human Services staff has seen demand and growth over the past two years in the Housing Grant program that exceeded expectations, which is attributed to the downward turn in the economy. The increase in FY 2006 and FY 2007 over FY 2005 reflects two new County-funded programs, Transitional Housing Grants and Project-Based Housing Grants.



- Project-based Housing Grants: Some committed affordable units are designated to serve persons with disabilities, including homeless, needing permanent supportive housing. This program assures affordability for these very low income persons.
- Transitional Housing Program: This rent subsidy program serves households with issues such as mental illness or domestic abuse who are leaving shelters and entering transitional programs.

**Target 4B: Provide that 25% of the new committed affordable rental units produced annually are reserved for households with incomes below 40% of median.**



**CAF Units Affordable to Households Earning <40% of the Median Income**

FY	0-40%	41-50%	51-60%	61-80%	Total
<b>Unit Totals</b>					
2004	0	0	108	0	108
2005	6	30	203	0	239
2006	27	30	177	5	239
2007	25	2	277	0	304 <sup>1</sup>
2008	10	2	173	60	245
2009	5	6	25	0	36
<b>Percentages</b>					
2004	0%	0%	100%	0%	100%
2005	2%	13%	85%	0%	100%
2006	11%	13%	74%	2%	100%
2007	8%	1%	91%	0%	100%
2008	4%	1%	71%	24%	100%
2009	14%	17%	69%	0%	100%

Source: CPHD, Housing Division

<sup>1</sup> Buckingham Village 3 is not counted here because the affordable housing program is still to be determined.

- Five of the 36 affordable units at Macedonia will be reserved for supportive housing clients.
- The percent of new CAFs affordable to households earning 40% and below decreased from 4% in FY 2008 to 0% in FY 2009.
  - The majority of those served in both the supportive housing units and the Milestones programs will be persons with disabilities who have incomes below 20% of median income. (The Milestones program is not counted here but serves 18 households.) Typically the source of income will be Supplemental Security Income (SSI) which provides incomes below \$7,000 (under 11% of median income).

## GOAL #5: FAMILY-SIZED UNITS

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

**Target 5A:** Increase the number of family-sized units in the County to 61,000 by FY 2010.

- This is a 10-year Target. Data on unit size of all new residential units are not available until after the 2010 Census data is released.
- The following table shows baseline information and a projection for 2010.

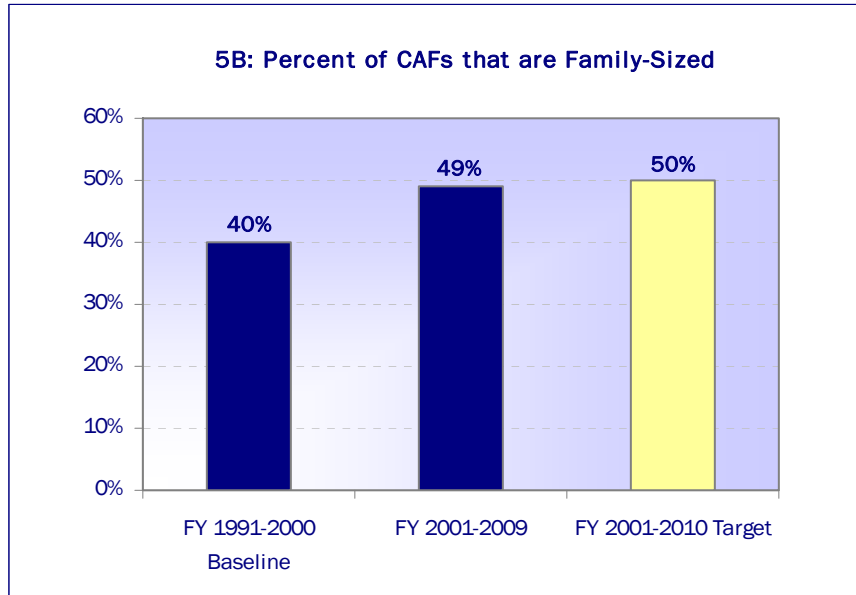
**Total Family-Sized Units, 1990-2010**

CY*	Total Units	Total Family-Sized Units
1990	84,847	53,292
2000	90,426	54,676
2010	103,581	58,000

\*CY means calendar year.

Source: Data for 1990 and 2000 are from the U.S. Census.  
The 2010 projection for total units is from the Round 6.3 COG Cooperative Forecast.

**Target 5B:** Provide that half of the rental committed affordable housing units added between FY 2001 and FY 2010 are family-sized, of which 25% would be greater than two bedrooms.



**Number of New CAF Rental Units**

FY	Number of Bedrooms			Total	Total	Percent
	2	3	4+	Family-Sized	CAFs	Family-Sized
2001	145	23	7	175	332	53%
2002	31	6	0	37	113	33%
2003	290	25	0	315	723	44%
2004	39	7	0	46	108	43%
2005	79	23	0	102	239	43%
2006	111	44	3	158	239	66%
2007	196	5	0	201	444	45%
2008 <sup>1</sup>	112	17	0	129	187 <sup>1</sup>	69%
2009	17	0	0	17	36	47%
<b>Total FY 2001-2009</b>	<b>1,020</b>	<b>150</b>	<b>10</b>	<b>1,180</b>	<b>2,421</b>	
<b>Percent family-sized added during FY 2001-2009</b>						<b>49%</b>
<b>Percent of those family-sized units that are 3+ bedrooms</b>						<b>14%</b>

Source: CPHD, Housing Division

<sup>1</sup>Buckingham Village CANTU is not counted here because the bedroom sizes have not been determined yet and thus the 60 units have been subtracted out of the total CAF count for 2008 in the chart above.

- This is a cumulative rather than an annual Target. It is the net effect of all additions to the CAF rental supply over the 10-year period that this Target spotlights.
- Between FY 2001 and FY 2009, 49% of the new rental CAFs have been family-sized (two-bedroom or greater). This represents a noteworthy improvement from the baseline of 40%. Adding committed affordable family-sized units is a challenge in Arlington's existing supply of multi-family rental units. Only 36% of the overall rental stock is comprised of units that are two-bedroom or larger.
- Of the 1,180 family-sized CAFs added between FY 2001 and FY 2009, 160 or 14% are three-bedroom or greater.

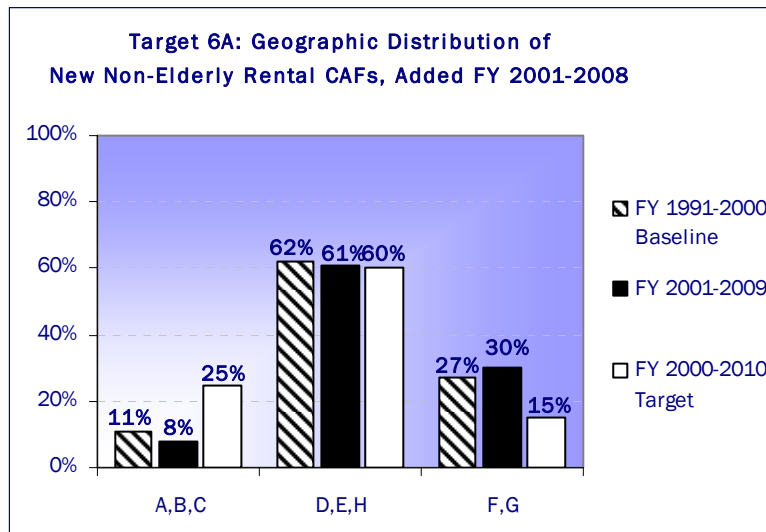
## GOAL #6: DISTRIBUTION OF COMMITTED HOUSING

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

**Target 6A:** Distribute non-elderly rental committed affordable housing units added in the following Neighborhood Service Areas (NSAs) between FY 2001 and FY 2010:

- ± 25% in A, B, and C,
- ± 60% in D, E, and H, and
- ± 15% in F and G.

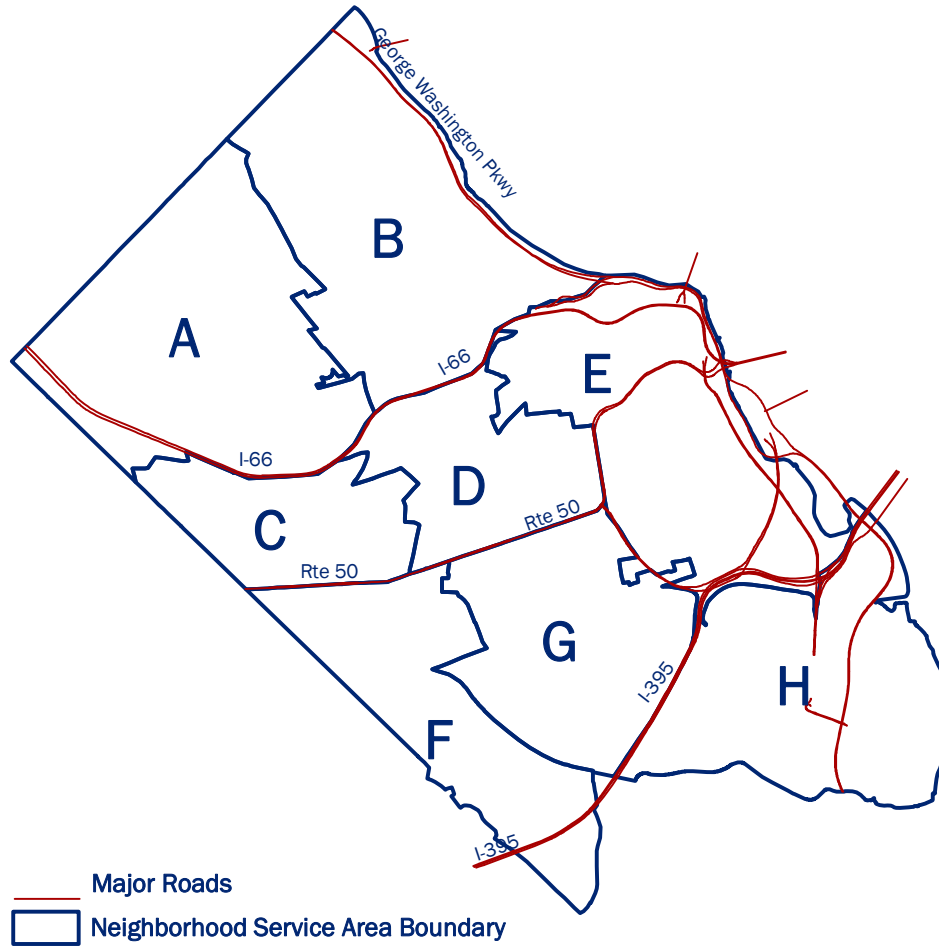
These Targets are not to be construed as caps or quotas, nor to limit the ability to take advantage of projects in any area of the County to advance other affordable housing goals.



**New Non-Elderly Rental CAFs by Neighborhood Service Area (NSA)**

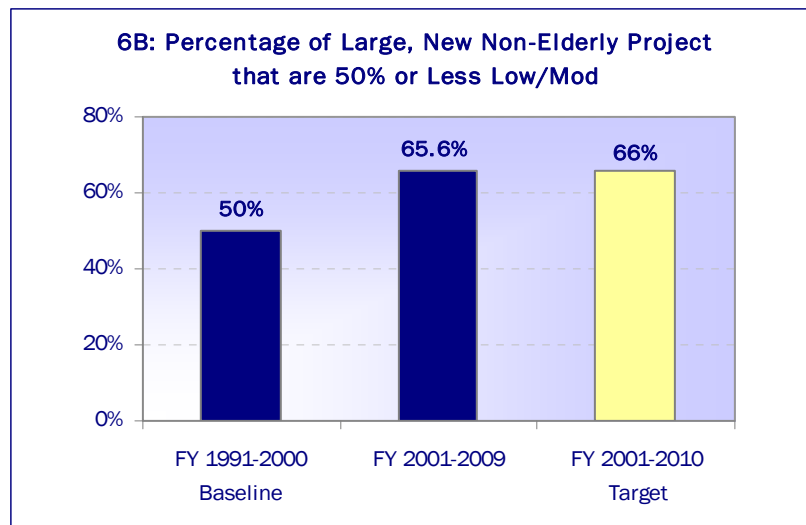
	A	B	C	D	E	H	F	G	Total
2001				10	55	138		129	332
2002	11				21	7			39
2003	5			349		12	319	38	723
2004					108				108
2005				25	179	20	15		239
2006				6	117			116	239
2007	185			240	6				431
2008				168	7		61	9	245
2009								36	36
<b>Total</b>	<b>201</b>	<b>0</b>	<b>0</b>	<b>798</b>	<b>493</b>	<b>177</b>	<b>395</b>	<b>328</b>	<b>2,392</b>
<b>Total by Group</b>		<b>201</b>			<b>1,468</b>		<b>723</b>		<b>2,392</b>
<b>Percentages</b>		<b>8%</b>			<b>61%</b>		<b>30%</b>		<b>100%</b>

Source: CPHD, Housing Division



- In FY 2002, 71% of the new non-elderly rental CAFs were in D, E, and H and 29% were in F and G.
- The performance towards this Target as of the FY 2008 Annual Targets Report was 9% in A, B, and C; 62% in D, E, and H; and 29% in F and G.
- In FY 2009, the only NSA to have any new non-elderly rental CAFs added was NSA G.

- Target 6B: Provide that two-thirds of the large non-elderly projects developed with affordable units between FY 2001 and FY 2010 would have less than half of their units serving households with incomes below 60% of the median income.



**Percent Low/Mod in New Large, Non-Elderly Projects**

FY	Project	Total CAFs	Total Units	% Below 60% AMI <sup>1</sup>	More than 50% of Units Below 60% AMI
2001	Berkeley	110	138	80%	Y
	Gallery at Rosslyn	38	314	12%	N
	Library Courts	10	84	12%	N
	Meridian, III	17	273	6%	N
	Quebec	129	172	75%	Y
	<b>Total</b>		<b>304</b>	<b>981</b>	
2002	Cameron Commons	11	11	n/a <sup>2</sup>	n/a <sup>2</sup>
	Metropolitan	7	190	4%	N
	The Odyssey	21	306	7%	N
	Hunter's Park	74	74	n/a <sup>2</sup>	n/a <sup>2</sup>
	<b>Total</b>		<b>113</b>	<b>581</b>	
2003	Cameron Commons II	5	5	n/a <sup>2</sup>	n/a <sup>2</sup>
	Columbia Grove	105	210	50%	Y
	Gates of Ballston	349	465	75%	Y
	Lofts at Crystal Towers	12	215	6%	N
	Monterey & Sierra	119	205	58%	Y
	Oak Springs	38	38	n/a <sup>2</sup>	n/a <sup>2</sup>
	<b>Total</b>		<b>618</b>	<b>1,042</b>	
2004	Woodbury Park	108	207	52%	Y
	1800 Wilson Blvd <sup>10</sup>	5	152	3%	N
	<b>Total</b>		<b>113</b>	<b>359</b>	

<sup>1</sup> Percent of households earning below 60% of the Area Median Income (AMI).

<sup>2</sup> Elderly and/or small projects are not counted.

<sup>10</sup> This project was mistakenly not counted in the FY 2003-2004 Annual Targets Report.

FY	Project	Total CAFs	Total Units	% Below 60% AMI <sup>1</sup>	More than 50% of Units Below 60% AMI
2005	Hawthorn, The	11	143	7.7%	N
	Ió Piazza	15	245	6.1%	N
	Joule, The	5	87	5.7%	N
	Monroe, The	9	79	11.4%	N
	One Metropolitan Park	20	399	5.0%	N
	Quincy Plaza	25	499	5.0%	N
	Rosslyn Ridge II	95	238	39.9%	N
	Views at Clarendon	70	116	60.3%	Y
	WRIT Rosslyn	14	224	6.3%	N
<b>Total</b>	<b>264</b>	<b>2,030</b>			
2006	Liberty Center	6	513	1.2%	N
	The Shelton	94	94	100%	Y
	Fort Myer Apartments	22	22	n/a <sup>2</sup>	n/a <sup>2</sup>
	Courthouse Crossing	112	112	100%	Y
	Abingdon Heights	5 <sup>3</sup>	187	2.7% <sup>3</sup>	N
	<b>Total</b>	<b>239</b>	<b>928</b>		N
2007 <sup>4</sup>	Buckingham Village 1	100	234	42.7%	N
	Buckingham Village 3	140	140	TBD <sup>5</sup>	TBD <sup>5</sup>
	Westover Apartments	152	152	100%	Y
	Fisher Houses I, II, III & IV	33	33	n/a <sup>2</sup>	n/a <sup>2</sup>
	<b>Total</b>	<b>425</b>	<b>559</b>		
2008	Arlington Mill	61	203	30.0%	N
	Jordan Manor – Bob Peck	90	90	100%	Y
	2201 Pershing Dr.	18	188	9.6%	N
	Buckingham Village CANTU <sup>7</sup>	60	60	n/a	n/a
	Garfield Gardens	9	9	n/a <sup>2</sup>	n/a <sup>2</sup>
	Vista at Courthouse	9	213	4.2%	n/a <sup>8</sup>
	<b>Total</b>	<b>247</b>	<b>763</b>		
2009	Macedonia	36	36	n/a <sup>2</sup>	n/a <sup>2</sup>
	<b>Total</b>	<b>36</b>	<b>36</b>		
<b>FY 2001 – FY 2009 Total Non-Elderly Large Projects<sup>6</sup></b>					<b>32</b>
<b>Subset greater than 50% Low/Mod</b>					<b>11</b>
<b>Percent of Non-Elderly Large Projects with less than 50% Low/mod</b>					<b>65.6%</b>

Source: CPHD, Housing Division

<sup>1</sup> Percent of households earning below 60% of the Area Median Income (AMI).

<sup>2</sup> Elderly and/or small projects are not counted.

<sup>3</sup> Five supportive units will be part of the project. The developer may also include additional on-site affordable units or may provide off-site units or cash; it has not been determined at this time. Even if on-site units are added, the project will have less than half of its units serving households below 60% of the median.

<sup>4</sup> Two of the buildings that had additional CAFs added in 2007 have already been counted in previous years; these two buildings were Oak Springs and Rosslyn Ridge II.

<sup>5</sup> The affordable housing program is still to be determined.

<sup>6</sup> Buckingham Village is not included in this count because it is not included in the subset count due to the affordable housing program still being determined.

<sup>7</sup> Buckingham Village CANTU units will serve households with incomes up to 80% of the median.

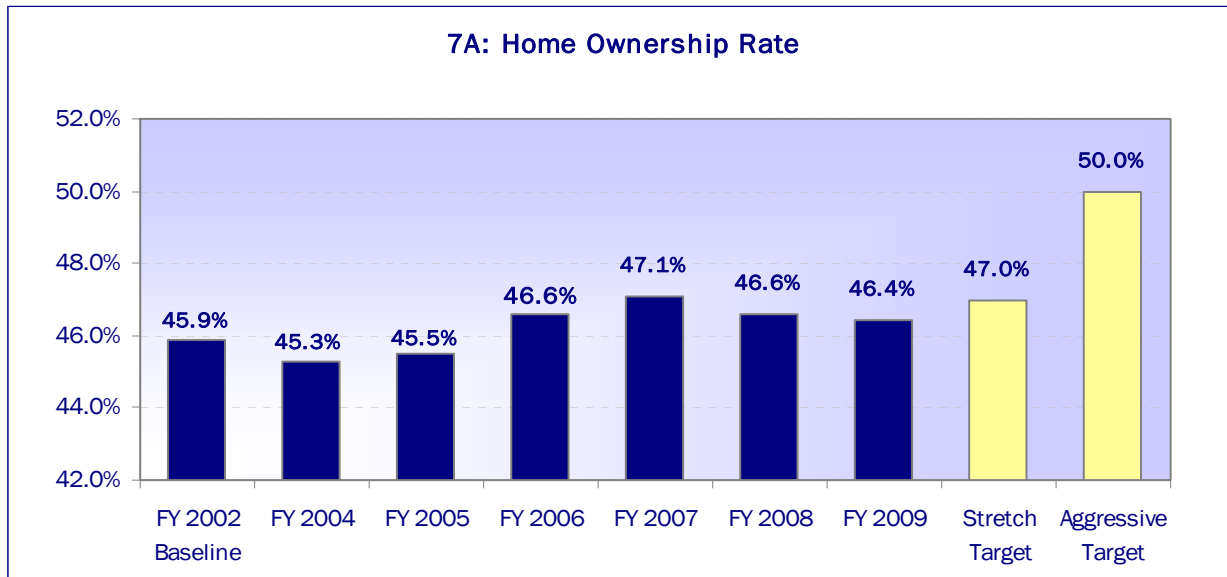
<sup>8</sup> Additional CAFs were added at Vista at Courthouse. The previous name of the building was Abingdon Heights and was already included in the count.

- The County's performance for FY 2001-2009 is 65.6%.

## GOAL #7: HOME OWNERSHIP

*Increase the rate of homeownership throughout the County, and increase homeownership opportunities for low and moderate income households.*

**Target 7A:** Increase the homeownership rate from 45.8% to 50% throughout the County by 2010.



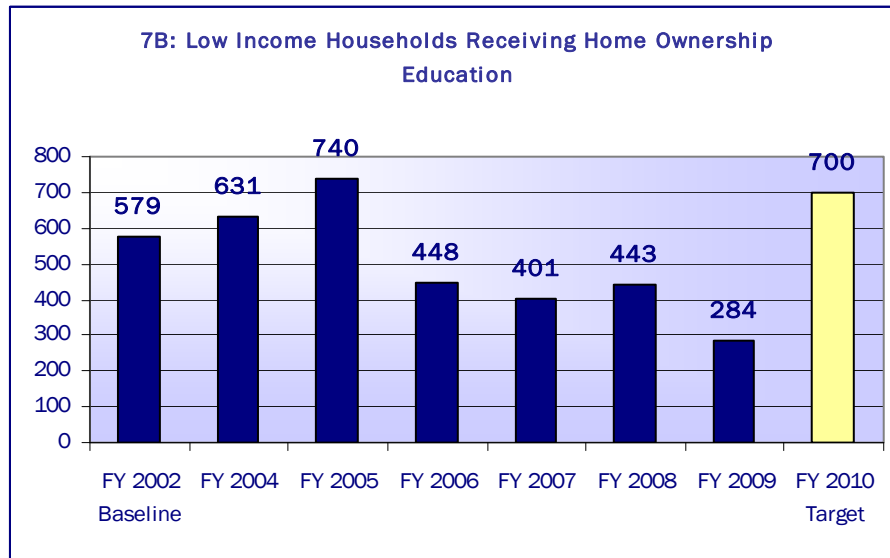
Source: CPHD, Housing Division and Department of Management and Finance, Division of Real Estate Assessments

*Data Note: Data used to compute the homeownership rate came from two sources: 1) the Department of Real Estate Assessments for owner-occupied and renter-occupied single family units (includes condominiums, cooperative, townhouses and detached); and 2) the Housing Division's housing database for the total number of multifamily renter units.*

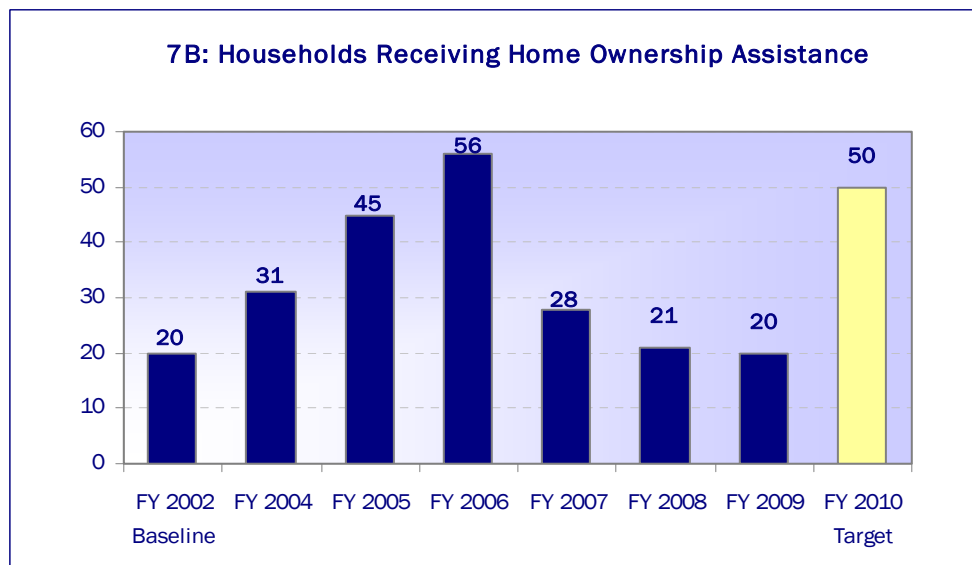
- The homeownership rate decreased slightly to 46.4% in 2009 after surpassing the stretch target of 47% in 2007. This is due in large measure to the shift from condominiums to rental projects in many of the newer projects coming online in the past two years.
- For purposes of comparison, the 2008 Census American Community Survey found that the percentage of owner-occupied units in Arlington was 52%.



**Target 7B: Provide homeownership education to 700 households with incomes below 80% of median and annually assist 50 households with incomes below 80% of median to become homeowners.**



- The number of low income households that received homeownership education decreased between FY 2008 and FY 2009. The difficulty that low income households face in being able to find and afford homeowner units in Arlington has contributed to the lower number of households taking homeownership classes.



- The County fell below its target by serving only 20 low income households with homeownership assistance in FY 2009.
- An additional 18 middle income households were served through Virginia Housing Development Authority (VHDA) programs which have higher income limits.
- The reduction in homeownership education and number of households receiving homeownership assistance is largely due to the current financial crisis and concerns about the stability of homes in general. In addition, staff worked with the Housing Commission to modify the current homeownership program to increase the incentives available to potential first time homebuyers. The County Board this

year increased the amount of assistance available to homebuyers to 25% of the purchase price to provide households more affordable homeownership options. The Board also changed the program to a shared appreciation model which will allow the benefit of homeownership for the purchaser while keeping the program sustainable for future borrowers.

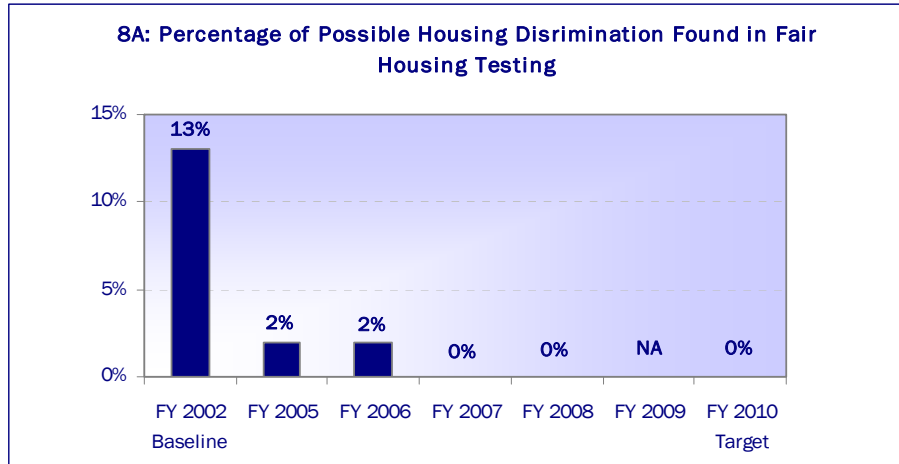
**Target 7C: Increase the homeownership rate for minority households from 24.2% to 30% by 2010.**

- This is a 10-year Target and data on minority homeownership are not available until after the 2010 Census is conducted.
- In FY 2009, 3 of the 10 households (30%) that received MIPAP homeownership assistance were minorities.
- The County conducts affirmative marketing to minorities for its homeownership programs. Homeownership training is provided in multiple languages, e.g., Spanish, Vietnamese, and Korean.
- Of approximately 200 households that attended the homeownership fair in 2009, roughly 50% were minorities.

## GOAL #8: HOUSING DISCRIMINATION

*Ensure, through all available means, that housing discrimination is eliminated.*

**Target 8: Reduce all indications of housing discrimination to zero by FY 2010, as measured by annual fair housing testing.**



- Fair housing testing is the predominant method of determining the level of possible housing discrimination in a community.
- There was no fair housing testing done this year due to budget constraints. The County will now be conducting the tests once every three years.
- The County's testing program began in 2000. Each year the County had conducted approximately 100 tests of:
  - different components of the housing market (e.g., rental, sales and financing) and
  - different protected groups (e.g., African-Americans, Hispanics, families with children, persons with disabilities, etc.).
- Tests that indicate possible discrimination are followed up with the processing of fair housing complaints.
- The table below shows the components of the housing market and the protected groups tested in FY 2008. The percent of retests was 0% in FY 2008.
  - Re-tests are conducted whenever the initial tests indicate potential problems.

### Incidents of Possible Discrimination in Fair Housing Testing

FY	Aspect of Market	Protected Category	Protected Group	Number of Original Tests	Number of Re-tests	Percent of Total Tests
2005				98	2	2.0%
2006				98	2	2.0%
2007				100	0	0.0%
2008	Rental	National Origin	Hispanic	50	0	
	Rental	Race	Black	50	0	
	<b>FY 2008 Total</b>			<b>100</b>	<b>0</b>	<b>0%</b>
2009	<b>Test was not conducted</b>					

Source: County Manager's Office, Human Rights Office

## GOAL #9: QUALITY SERVICE

*Provide housing services effectively and efficiently.*

**Target 9A: Annual Housing Report: By December of each year, produce the County's annual affordable housing report for the fiscal year just completed.**

- This FY 2009 Annual Report was not completed by December of 2009.

### **Awards**

Another indicator of quality housing services is awards received.

- A County funded project, the Gates of Ballston, was awarded a **National Preservation Award** from the National Trust for Historic Preservation for restoring the property while preserving its historic integrity and affordability to low and moderate-income families.

## Rent and Vacancy Survey for 2009

This is a summary report of the 2009 Rent and Vacancy Survey. All the multi-family rental complexes with four or more units were included in the survey which requested information on the current market rent (i.e., rent charged to new tenants), and the number of units that were vacant and available for rent. This analysis excludes rent data from all Committed Affordable Units (i.e. units with either subsidized or controlled rents) and vacancy data from buildings undergoing change or in the initial lease-up period. The response rate for the 2009 Rent and Vacancy Survey was 88%, reflecting data on approximately 36,669 of the 41,548 multi-family rental units in the County at the time of the survey in February.

### 2009 Multi-Family Rental Stock

- The 2009 survey found a total of 41,548 units in 385 multi-family rental complexes, this is a net increase of 478 units over 2008.
- Approximately 62% of the units are in elevator buildings and 38% are in garden complexes. The percentage of units by bedroom size remained nearly the same.

Number of Units						
	Efficiency	1 Bedroom	2 Bedroom	3 Bedroom	4+ Bedroom	Total
Percentage for 2009	10%	54%	32%	4%	.04%	100%
<b>2009</b>	4,090	22,698	13,247	1,497	16	41,548
<b>2008</b>	4,055	22,398	13,018	1,582	17	41,070
<b>2007</b>	3,924	21,779	12,693	1,765	17	39,989
<b>2006</b>	3,883	21,576	12,570	1,572	17	39,618

### Vacancy Rates

- The vacancy rate increased slightly to 3.0%, reflecting a tight rental market.

Average Vacancy Rates					
Survey Year	Efficiency	1 Bedroom	2 Bedroom	3 Bedroom	Total
<b>2009</b>	2.2%	3.2%	3.0%	2.6%	3.0%
<b>2008</b>	3.3%	2.8%	2.5%	2.5%	2.8%
<b>2007</b>	1.7%	3.0%	3.2%	3.3%	2.9%
<b>2006</b>	1.8%	1.8%	2.8%	2.4%	2.2%

## Changes in Rents

- The County-wide average rent increased by \$63 per month to \$1,711, an increase of 4% over the 2008 average of \$1,648. The average rent for elevator building units increased 2%, while the average rent for all garden apartments units increased 6%. Elevator rents may be artificially high since rent concessions of two months were not uncommon in the past two years.
- Average rent per unit size and the percentage of change are shown in the tables below.

Average Rents - All Apartments										
Year	Efficiency		1 Bedroom		2 Bedroom		3 Bedroom		Total	
2009	\$1,277	1%	\$1,524	4%	\$1,997	3%	\$2,583	6%	\$1,711	4%
2008	\$1,261	6%	\$1,465	4%	\$1,934	3%	\$2,421	6%	\$1,648	5%
2007	\$1,191	6%	\$1,407	6%	\$1,874	10%	\$2,278	5%	\$1,576	6%
2006	\$1,123	9%	\$1,332	8%	\$1,708	6%	\$2,160	12%	\$1,480	3%
2005	\$1,027	6%	\$1,231	4%	\$1,606	6%	\$1,929	7%	\$1,432	9%

Average Rents - Garden Apartments										
Year	Efficiency		1 Bedroom		2 Bedroom		3 Bedroom		Total	
2009	\$1,046	6%	\$1,204	6%	\$1,518	6%	\$1,697	4%	\$1,351	6%
2008	\$986	4%	\$1,132	3%	\$1,423	-0.2%	\$1,628	-5%	\$1,264	1.5%
2007	\$951	7%	\$1,104	6%	\$1,426	8%	\$1,719	7%	\$1,245	7%
2006	\$888	18%	\$1,038	7%	\$1,317	3%	\$1,602	8%	\$1,168	5.5%
2005	\$753	-8%	\$970	5%	\$1,282	11%	\$1,476	4%	\$1,107	7%

Average Rents - Elevator Apartments										
Year	Efficiency		1 Bedroom		2 Bedroom		3 Bedroom		Total	
2009	\$1,314	0%	\$1,677	2%	\$2,314	2%	\$2,958	0%	\$1,883	2%
2008	\$1,308	6%	\$1,644	6%	\$2,268	6%	\$2,963	17%	\$1,844	7%
2007	\$1,231	6%	\$1,555	5%	\$2,145	9%	\$2,542	3%	\$1,727	6%
2006	\$1,159	9%	\$1,474	6%	\$1,975	6%	\$2,471	10%	\$1,628	1%
2005	\$1,067	6%	\$1,387	1%	\$1,855	1%	\$2,253	1%	\$1,525	2%

The Rent and Vacancy Survey is conducted annually by the Housing Division. Questions regarding the survey and report should be directed to Joel Franklin, Housing Planner, or Renee M. Willis, Chief, Housing Services Section. They can be contacted at 703-228-3760.

## Update on the Affordability of the Rental Stock

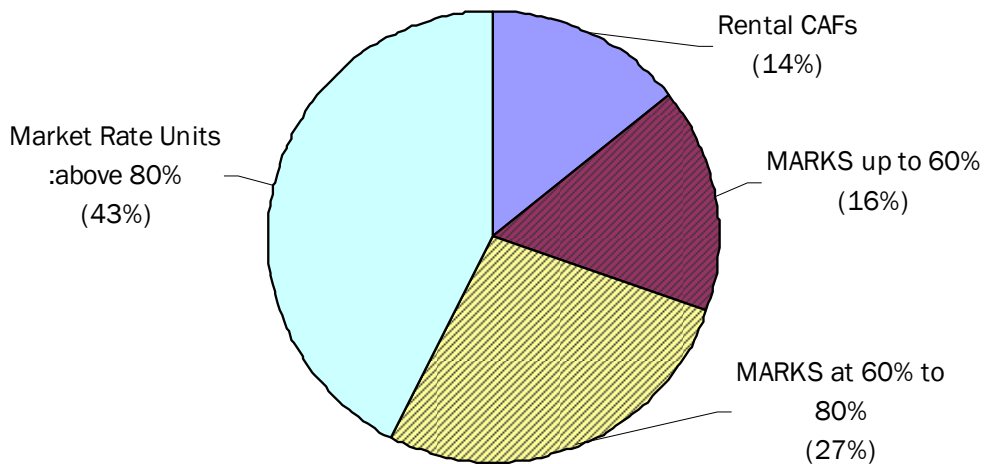
The County tracks the affordability of the rental stock, with particular attention to those market affordable units (MARKS)<sup>1</sup> that are affordable to households at 60% of the Washington Area Median Income (AMI). From 2007 to 2009, 543 units then affordable at 60% of AMI have become unaffordable to that population, a 7.5% reduction in that affordable rental stock.

The reduction in MARKS up to 60% of AMI from 2007 to 2008 was 945 units, compared to an increase of 402 units from 2008 to 2009. The reduction was attributable primarily to rent increases driving the affordability above 60%. There were only a total of 88 condo units converted in 2007 and 2008. Similarly the increase in units affordable at 60% in 2009 comes from rent increases in units that were previously affordable at 50% of AMI.

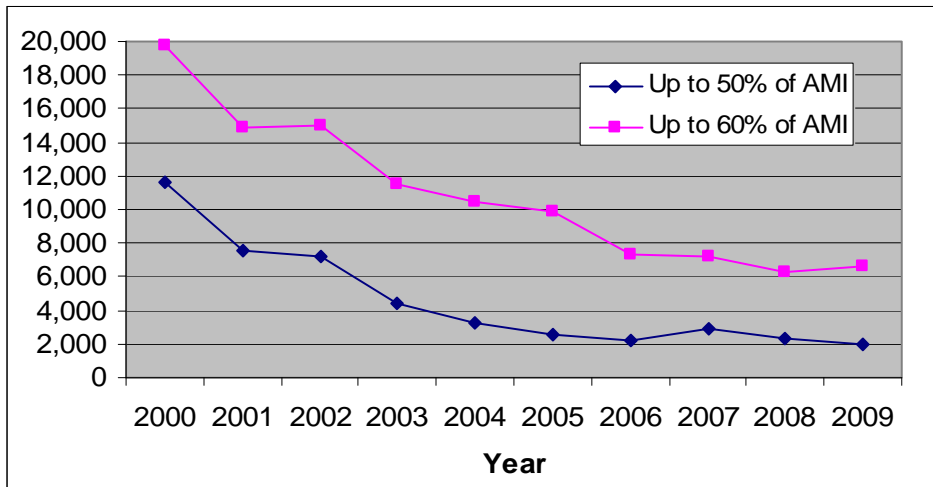
The following table shows the changes in rental units affordable to households earning 50%, 60%, and 80% of median income. Please note that unit totals are cumulative.

Affordable at % of Median Income	2007	2008	2009	3-Year Net Change	
	Cumulative Total of Units	Cumulative Total of Units	Cumulative Total of Units	No. of Units	% Change
Up to 50%	2,947	2,380	1,955	-992	-33.7%
Up to 60%	7,228	6,283	6,685	-543	-7.5%
Up to 80%	16,856	16,051	18,114	1,258	7.5 %
Total Market Units	34,890	34,914	35,913	1,023	2.9%

### 2009 Rental Unit Breakdown



**History of MARKS at 50% and 60% of Median Income from 2000 to 2009**



**Gain of Committed Affordable Units (CAFs):** The County, working actively to preserve and create affordable units, has committed 692 rental units from FY 2007 to 2009 for long term preservation of affordability as Committed Affordable Units (CAFs). Committed affordable units are guaranteed to remain affordable for at least 30 years through non-profit ownership, site plan conditions, or government program requirements. During the same time period, 640 CAF units that had been previously committed were leased-up.

**2009 Area Median Income (AMI) for Families** is the income at which half of the families of a particular household size have incomes higher and half have incomes lower. HUD estimated the median family income for a family of four for the Washington Metropolitan Area for 2009 was \$102,700. HUD computed median incomes by household size from that by formula. In 2007 a unit at the average rent required an income of 67% of median; in 2009, it also requires an income of 67% of median.

Median Income for Families, 2009					
Income Level	% of Median	Family Size			
		1	2	3	4
Moderate	80%	\$57,520	\$65,760	\$73,920	\$82,160
Low	60%	\$43,140	\$49,320	\$55,440	\$61,620
Very Low	50%	\$35,950	\$41,100	\$46,200	\$51,350

<sup>1</sup> The statistics on income are based on HUD's median family incomes for the Washington Metropolitan Area. The number of units and rents are calculated using the County's Rent and Vacancy survey conducted annually by the Housing Division. As the response rate is below 100%, the numbers of units identified as affordable are extrapolated to equal a 100% response. The overall response rate was 87% in 2007, 85% in 2008 and 88% in 2009.





## Accessory Dwelling Annual Report –Calendar Year 2009

### Permitting Data

During Calendar year 2009, three applications were received for new accessory dwelling units and no applications were received for unauthorized accessory dwellings. Two of the three applications were approved and the other one has yet to be approved. Additionally, three family/caregiver suites were applied for and approved.

### Accessory Dwelling Occupancy and Physical Data

	Unit 1	Unit 2
Neighborhood	Lyon Park	Barcroft
Number of Occupants in Main Building	1	*
Number of Occupants in Accessory Dwelling	2	*
Number of Years Resident has Lived in Original Dwelling	17	*
Amount of Rent to be Charged	\$1,100	*
GFA of Main Dwelling	2,775.3	3,279
GFA for Accessory Dwelling	498	747
Age of Main Dwelling at Time of Application	89	69
Location of Accessory Dwelling	Addition at the Rear of the Bldg	Basement
Code Enforcement Complaints	0	0

GFA = Gross Floor Area

\* Was approved for an Accessory Dwelling Unit on 01/05/2009, but has yet to complete the Pre-Certificate of Occupancy data sheet with the above stated information.

### Code Enforcement

During calendar year 2009, there were two cases reported as overcrowding complaints. A case summary is listed below.

Complaint	Case Status	Complaint Status	Note
Overcrowding	Case active	Invalid	Unpermitted construction of sleeping room in basement, permit pending
Overcrowding	Case closed	Valid	Over-occupancy valid, number of unrelated occupants reduced to four.

### Family/Caregiver Suites Data

	<b>Suite #1</b>	<b>Suite #2</b>	<b>Suite #3</b>
Planned Occupant(s)	Caregiver	*	*
Status of Occupant Needing Care	Child	*	*
Nature of Care Being Provided	In Home Childcare Provider	*	*

\*Suites were approved, but have yet to complete a Certificate of Occupancy with the above stated information.

## GLOSSARY

**Accessible Housing:** New housing units covered under the Fair Housing Act Amendments Accessibility Guidelines [FHAAG] must meet the following specific accessibility criteria: 1] public and common use areas must be readily accessible to and usable by people with disabilities; 2] all doors "designed to allow passage into and within all premises are sufficiently wide to allow passage by handicapped persons in wheelchairs" [24 CFR 100.205]. These same properties must also meet additional features of adaptable design: accessible route into and through the dwelling unit; light switches, electrical outlets, thermostats and other environmental controls in accessible locations; reinforced bathroom walls to allow later installation of grab bars; and usable kitchens and bathrooms that allow enough space for wheelchair maneuverability.

**Affordable Housing Investment Fund (AHIF):** This program, funded by both federal HOME money and local funds, provides financial assistance for the acquisition, development, or rehabilitation of affordable housing for low and moderate income households or for housing-related services assisting such households. This is a competitive program that requires matching funds.

**Area Median Incomes (AMI) for Families** is the income at which half of the families of a particular household size have incomes higher and half have incomes lower. HUD estimated the median family income for a family of four for the Washington Metropolitan Area for 2009 was \$102,700. The U.S. Department of Housing and Urban Development (HUD) computed median incomes by household size from that by formula.

HUD Area Median Incomes (AMI) for Families, 2009							
Income Level	% of Median	Family Size					
		1	2	3	4	5	6
Median Income	100%	\$71,890	\$82,160	\$92,430	\$102,700	\$110,916	\$119,132
	80%	\$57,520	\$65,760	\$73,920	\$82,160	\$88,720	\$95,280
	60%	\$43,140	\$49,320	\$55,440	\$61,620	\$66,540	\$71,460
	50%	\$35,950	\$41,100	\$46,200	\$51,350	\$55,450	\$59,550

**CPHD:** Department of Community Planning, Housing and Development

**COG:** Metropolitan Washington Council of Governments

**Committed Affordable Units** are all units that are: 1) wholly owned by nonprofits, excepting any units planned to serve households with incomes above 80% of median family income; or 2) guaranteed by agreement with the federal, state, or County Government to remain affordable to low and moderate income households for a specified period of time through mechanisms such as site plan requirements, contracts with private owners, or Internal Revenue Service (IRS) regulations governing tax-exempt financing; or 3) whose owner received government subsidy to assist with the purchase.

**Common Area Inspections:** Inspections of common areas in rental projects include inspections of all exterior grounds, trash areas, hallways, stairways, laundry rooms and mechanical rooms. The areas are inspected for violations of the Virginia Uniform Statewide Building Code/Part III. Maintenance of Existing Structures (International Property Maintenance Code), the International Fire Code, the Arlington Zoning Ordinance, the Arlington Condition of Private Property ordinance (formerly the Care of Premises ordinance), and the Arlington Abandoned/Junk Vehicle ordinance."

**Community Development Block Grant (CDBG):** CDBG is a federal program providing localities with funds that may be used to address the needs of low and moderate income residents through a variety of housing, neighborhood improvement and economic development activities.

**Cooperative Forecast:** The COG Regional Cooperative Forecast Program provides consistent forecasts for transportation, water resources, air and water quality, population, employment, housing, land use and energy planning for jurisdictions in the Washington area. The program produces forecast of population, households and employment in five-year increments for the region and for individual jurisdictions.

**DHS:** Department of Human Services

**Density Bonus:** In 2001, the County added a 25% density bonus provision to its Zoning Ordinance. The bonus permits both market-rate and affordable units, with the income from the market-rate units designed to offset the cost of the subsidized units.

**Disability:** A person has a disability if he or she who is unable to independently carry out one or more of the major life activities of walking, ambulating, eating, sleeping, breathing, seeing, hearing or thinking. (Source: Americans with Disabilities Act)

-For **Target 1B**, the definition of “disability” has been broadened from the above to add the definition in the Housing Grants ordinance which includes “clients and patients of the Arlington County Mental Health, Mental Retardation, Substance Abuse Services, and Arlington Community Residents, Inc.”

**Elderly Household:** A family in which the head of the household or spouse is at least 55 years of age.

**FMR:** Fair Market Rent

**FY:** Fiscal Year: July 1 to June 30

**Fair Housing Testing** is a method of comparing how two persons of different protected classes (e.g., of different races) are treated by a housing provider under similar circumstances, all other factors being held constant. Court decisions have held that tests done under properly controlled conditions can be used as evidence of discrimination. There are two types of testing, targeted testing and random testing. Targeted testing is conducted in order to investigate a fair housing complaint or to determine if an agency that previously discriminated is still engaging in discriminatory practices. Random testing involves testing a sample of housing providers.

**Fair Market Rents (FMR):** The rent, including the cost of utilities (except telephone), as established by the Department of Housing and Urban Development for units of varying sizes (by number of bedrooms), that must be paid in the housing market area to rent privately owned, existing, decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities.

**Family:** Two or more related persons occupying a housing unit.

**Family-sized units** are units with two or more bedrooms.

**First Time Home Buyer:** An individual or family who has not owned a home during the three-year period preceding the assisted purchase of a home that must be used as the principal residence of the homebuyer.

**Full code inspections** are comprehensive inspections by Community Code, Building, and Fire Inspectors of: 1) all common areas, and 2) either 100% of the units of small projects (70 or fewer units) or 50% of the units at larger complexes. Additional units may be inspected if warranted.

**Gross Floor Area (GFA):** The total of all floors of a building as measured to the outside surfaces of the exterior walls and including halls, stairways and elevator/mechanical shafts. This area excludes areas within the building used for parking. In addition the County Board may exempt other areas and typically exempts storage in the basement and mechanical closets on balconies.

**HOME** is the HOME Investment Partnerships Act (Federal law of 1990). HOME provides funds for programs involving: 1) acquisition, rehabilitation, and/or new construction of affordable housing; 2) rent assistance; and 3) homeownership assistance. Funds must be committed within specific time frames or HUD may recapture the money. HUD requires a match of 25-30% using local funds.

**HOPWA:** Housing Opportunities for Persons with AIDS program. This program provides federal funds for rent assistance and emergency assistance, e.g., homeless prevention for this population.

**HUD:** U.S. Department of Housing and Urban Development

**Homeowner:** An owner-occupant of residential property who holds legal title to the property and who uses the property as his/her principal residence.

**Homeownership Rate:** This is the percentage of all occupied housing units that are owner-occupied.

**Household:** One or more persons occupying a housing unit.

**Priority Households** include families with children, elders and persons with disabilities.

**Non-priority Households** are households with singles or related persons that include no children, no elders and no persons with disabilities.

**Housing Assistance:** Housing assistance includes both programs providing housing subsidies and programs providing housing units or beds. Housing subsidy programs include the locally-funded Real Estate Tax Relief and Housing Grants programs and the federally-funded Housing Choice Voucher program (formerly Section 8) and Housing Opportunities for Persons with AIDS (HOPWA). The housing units included are all renter and owner Committed Affordable Units. The housing beds are ones committed to serve persons with disabilities located in group homes or supervised apartments owned or leased by nonprofits.

**Housing Choice Vouchers** (formerly Section 8 Rent Assistance) is a federally funded rent assistance program for low income households. Households must meet income eligibility criteria. Each pays a minimum of 30% of income for rent.

**Housing Grants Program** is a County-funded rent assistance program serving low income working families, elderly persons and persons with disabilities. Rent subsidies typically reduce participant's share of the rent to 40% of income.

**Housing Need:** "Serious housing need" is defined in the County's affordable housing goals as "those earning below 40% of median income who pay more than 40% of their income in rent." "Housing need" is defined in the 2002 Housing Needs Survey as "households at any income level paying over 40% of income for housing (rent or mortgage).

**Priority Households in Need** are those families with children, elders and persons with disabilities at any income level who were paying over 40% of income for housing (rent or mortgage) in the Housing Needs Survey, 2002.

**Non-priority Households in Need** are households at any income level with singles or related persons that include no children, no elders and no persons with disabilities who were paying over 40% of income for housing (rent or mortgage) in the Housing Needs Survey, 2002.

**Housing Needs Survey, 2002:** In early 2002 a consultant conducted a County-funded survey of 1,437 Arlington households to collect basic demographic information (e.g., household size, composition and type, age, race, Hispanic origin, income and housing costs) in order to assess housing need in the County.

**Housing Reserve Fund (HRF):** The HRF uses private developer donations to help finance the acquisition of units to mitigate displacement of low income tenants and for apartment banking.

**Housing Subsidies:** Financial subsidies provided by government to assist households in paying their housing costs. Rent assistance programs in Arlington include the locally-funded Housing Grants program and the federally-funded Housing Choice Voucher program (formerly Section 8) and Housing Opportunities for Persons with AIDS (HOPWA). The Real Estate Tax Relief program assists low and moderate income homeowners through exemptions and/or deferral of real estate taxes.

**Housing Unit:** An occupied or vacant house, apartment, or a single room that is intended as separate living quarters.

**Large non-elderly projects** are defined all projects, not reserved for the elderly, of 50 or more units.

**Live Near Your Work** programs are ones through which employers provide incentives for employees to live close to their jobs. For example, Arlington County provides assistance to employees buying units in the County.

**MARKS:** See “Market Affordable Units.”

**MFI:** See “Median Family Income.”

**MIPAP:** See “Moderate Income Purchase Assistance Program.”

**Market Affordable Units (MARKS)** are lower rent units in the private market which receive no County assistance and which the owners have made no commitment to retain as affordable in the future. Determining the number of market rate affordable units is complicated because the affordability varies, depending on family size and income compared to unit size and rent.<sup>11</sup> MARKS are “affordable” based on paying no more than 30% of income for rent. The County has calculated the number of Rental MARKS for three income levels: 60%, 50% and 40% of HUD median family income. MARKS-60% are units affordable to households with incomes at 60% of median; MARKS-50% are affordable at 50% of median income; MARKS-40%, at 40% of median. Committed Affordable Units are excluded from the MARKS totals.

**Major violations** are defined as life-safety issues that may include a range of fire hazards (such as no functioning smoke detector), lack of heat or hot water, lack of adequate plumbing facilities, overcrowding, accumulation of rubbish, infestation (e.g., by rats), cracks in exterior walls, problems with the roof or drainage and hazards affecting stairways, decks, porches or balconies.

**Median Family Income (MFI)** is the income at which half of the families of a particular household size have incomes higher and half have incomes lower. HUD estimated the median family income for a family of four for the Washington Metropolitan Area was \$102,700 for 2009. HUD computes median incomes by household size from that by formula.

**Minorities:** Minorities includes Hispanic, African-American, Asian/Pacific Islander, Native American, Other Races and Multi-Racial households. Hispanics may be of any race.

**Moderate Income Purchase Assistance Program (MIPAP):** This program provides financial assistance for down payments and/or closing costs for first-time homebuyers with incomes below 80% of median family income.

**NSAs** are Neighborhood Service Areas. The County is divided into eight NSAs.

**Non-elderly projects** are defined as all projects not reserved for the elderly.

**Owner Unit:** A unit occupied by its owner.

---

<sup>11</sup> In County calculations of affordable market-rate housing: 1) the statistics on income are based on U.S. Department of Housing and Urban Development (HUD) median family incomes for the Washington Metropolitan Area; 2) the household sizes per unit type are based on Internal Revenue Service (IRS) standards for housing financed through federal tax-exempt bonds; 3) the number of units and rents are calculated using the County's Rent and Vacancy survey conducted by the Housing and Community Development Division; and 4) as the response rate to the County survey is below 100%, the numbers of units identified as affordable are extrapolated to equal a 100% response.

**Priority Households** include families with children, elders and persons with disabilities.

**Rate of major common area housing code violations** is defined as:

$$\frac{\text{Number of major common area housing violations}}{\text{Number of multi-family rental complexes over 20 years old}}$$

**Rate of major housing code violations** is defined as:

$$\frac{\text{Number of major violations (common area and unit) from full code inspections}}{\text{Number of units inspected in full code inspections}}$$

**Real Estate Tax Relief Program:** This locally-funded program provides exemptions and deferrals of real estate taxes to income-eligible elderly and disabled households.

**Rent Assistance:** Financial subsidies provided by government to assist households in paying their monthly rent. Rent assistance programs in Arlington include the locally-funded Housing Grants program and the federally-funded Housing Choice Voucher program (formerly Section 8) and Housing Opportunities for Persons with AIDS (HOPWA).

**Renter Unit:** Any occupied housing unit that is not owner occupied, including units rented for cash, and those occupied without payment of cash rent.

**Section 8 Rent Assistance:** See “Housing Choice Vouchers.”

**Serious Housing Need:** See “Housing Need.”

**Site Plan Projects** are developments not currently allowed by right in the Zoning Ordinance and/or General Land Use Plan (GLUP) that undergo a major public review and decision-making process to get formally approved by the County Board.





## **COUNTY MANAGER'S OFFICE**

Barbara Donnellan, Acting County Manager  
Marsha Allgeier, Deputy County Manager  
Raul Torres, Assistant County Manager

## **DEPARTMENT OF COMMUNITY PLANNING, HOUSING AND DEVELOPMENT**

Susan Ingraham Bell, Department Director  
Ken Aughenbaugh, Housing Division Director  
Joel Franklin, Project Coordinator, Housing Planner  
Betts Abel  
David Cristeal  
Angie de la Barrera  
Anthony Garrett  
Gary Greene  
Doug Myrick  
Sarah Pizzo  
Eric Timar

## **DEPARTMENT OF HUMAN SERVICES**

Susanne Eisner, Department Director  
Cynthia Stevens  
Tony Turnage  
Amy Yorczyk



DEPARTMENT OF COMMUNITY PLANNING, HOUSING &  
DEVELOPMENT

2100 Clarendon Boulevard, Suite 700, Arlington, VA 22201  
TEL (703)228-3760 FAX (703)228-3834  
[www.arlingtonva.us](http://www.arlingtonva.us)

