



AFFORDABLE HOUSING STUDY

Setting Quantifiable
Production Objectives
November 12, 2014



ARLINGTON
VIRGINIA

Family Sized CAFs
Length of affordability
Homeownership

Family sized units: Where we are now?

Current unit mix of CAF stock

Unit Size	Share	Type
Efficiency	6.8%	55.0%
1 Bedroom	48.3%	
2 Bedroom	37.0%	Family-sized 45.0%
3 Bedroom	7.7%	
4+ Bedroom	0.2%	

Where we are now

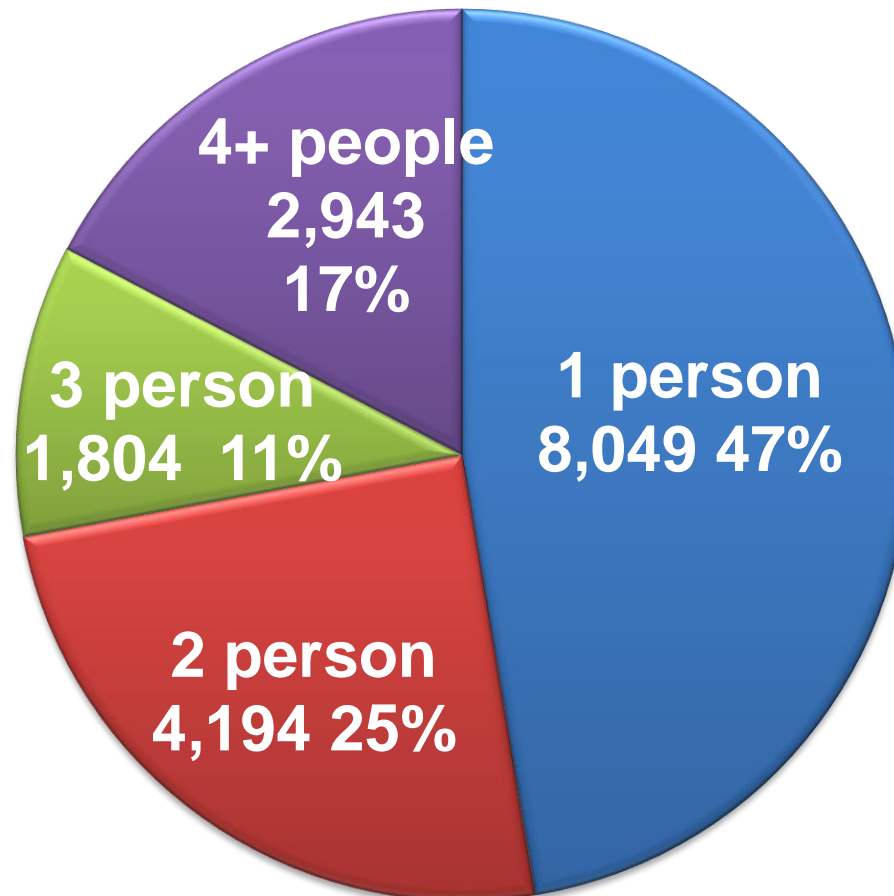
- 53% of all units added between 2001 and 2013 were family-sized.

Where we are now

- 16,990 Households with incomes below 60% AMI.

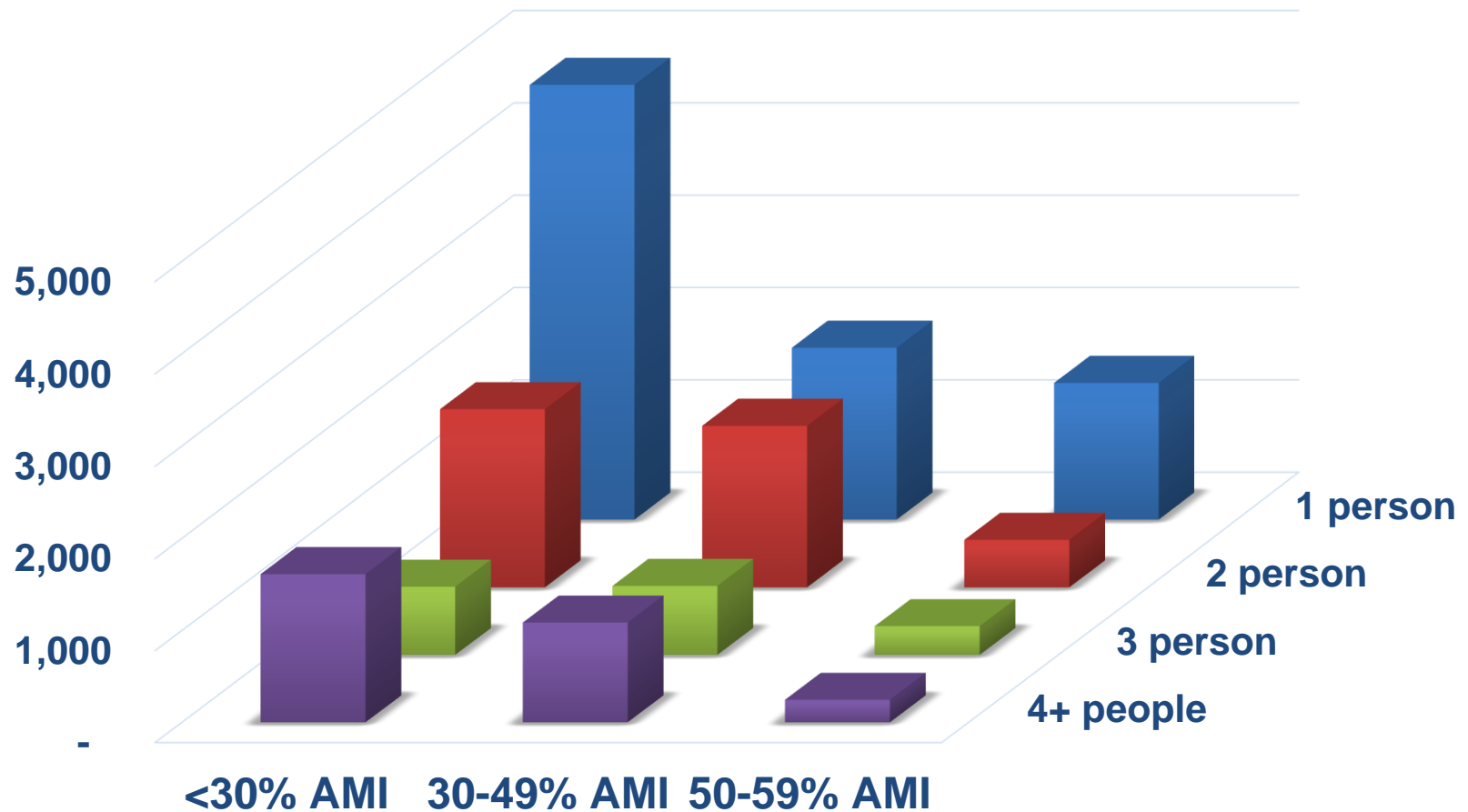
Family sized units: Where we are now?

Households under 60% AMI by size



Family sized units: Where we are now?

Households under 60% AMI by Income and size



Family sized units: Need

Efficiency and 1 Bedroom units

Single person households	8,049
Married, no children	<u>+ 2,507</u>
	= 10,556

Family sized units: Need

Family-sized and non family-sized unit needs

Unit Type	Households	Share
Efficiencies + 1BR	10,556	62%
Family sized	6,424	38%
All units	16,990	100%

Family sized units: Need

Two bedroom household assumptions

Two bedroom 2 person HH	1,687
3 person Households	<u>+ 1,804</u>
	3,491

Family sized units: Need

Bedroom sizes needed

Unit Type	Households	Share
2 Bedroom	3,491	54%
3+ Bedroom	2,943	46%
Family sized	6,424	100%

Family sized units: Actual need based approach

- 38% of units Family-sized
- 46% of family-sized units 3 or more bedrooms

Family sized units: looking ahead

Forecasted change in renter households of all incomes by household size 2010-2040

Household size	Household change 2010-2040	Share of change in renter households
1 person	9,600	45%
2 Person	8,800	42%
3 Person	1,400	7%
4+ Person	1,300	6%

Family sized units: Future need

Renter household sizes as a share of all renter households

Household size	2010	2040
1 Person	46%	46%
2 Person	31%	34%
3 Person	11%	10%
4+ Person	12%	10%

*All Incomes

Family sized units: Future need

Family-sized and non family-sized 2040

Unit Type	Households	Share
Efficiencies + 1BR	48,500	63%
Family sized	28,100	37%
All units	76,600	100%

*All Incomes

Family sized units: Future need

Bedroom sizes needed

Unit Type	Households	Share
2 Bedroom	20,400	58%
3+ Bedroom	7,700	46%
Family sized	28,100	100%

*All Incomes

Draft policy statement:

“Encourage production and preservation of family-sized market-rate and committed affordable rental units.”

Family sized units: Policy

Matching policy to needs

	Current CAF Supply	Current Need	Current Policy	Forecasted Need 2040
Family sized units	45%	38%	50%	40%
3 or more bedroom units	8%	17%	-	10%
Share of family-sized units that are 3 or more bedrooms	18%	46%	25%*	25%
<i>As a percent of all CAFS</i>			12.5%	10%

**The goal of providing 25% of new CAF units to have more than two bedrooms has not been achieved. Of the 1,683 family-sized CAFs added between FY 2001 and FY 2013, 218 or 14% are three-bedroom or greater.*

Draft policy statement:

“Encourage affordability periods of 60 years or more for committed affordable rental projects.”

Ordinance produced units

- 30 year affordability restriction pursuant to Virginia Code

AHIF assisted units

- Typically 60 year restriction

Homeownership:

Two aspects:

Production of units

Financial Assistance to buyer

Non-profit produced units

Has been 60% AMI

- Very deep subsidy

Affordable Dwelling Unit Ordinance produced units

Affordability set at 60% AMI

- Very deep subsidy

Draft policy statement:

“Incentivize the production of moderately-priced ownership housing.”

At what level of affordability should incentives be targeted?

2013 Home Sales by Affordability Level

	2013 Home Sales by Affordability Level*		2010-2012 Share of Households by AMI	
	Sales	% of Total	Total	Owner HHs
<80% AMI	271	9.3%	29.9%	16.8%
80-99% AMI	283	9.7%	10.1%	8.0%
100-119% AMI	386	13.3%	9.3%	8.1%
120%+ AMI	1,965	67.6%	50.7%	67.1%
Total	2,905	100.0%	100.0%	100.0%

Source: Metropolitan Regional Information Systems (MRIS)

Draft policy statement:

“Provide assistance to create access to ownership housing for moderate income first-time homebuyers.”

Financial assistance has been targeted to <80% AMI.

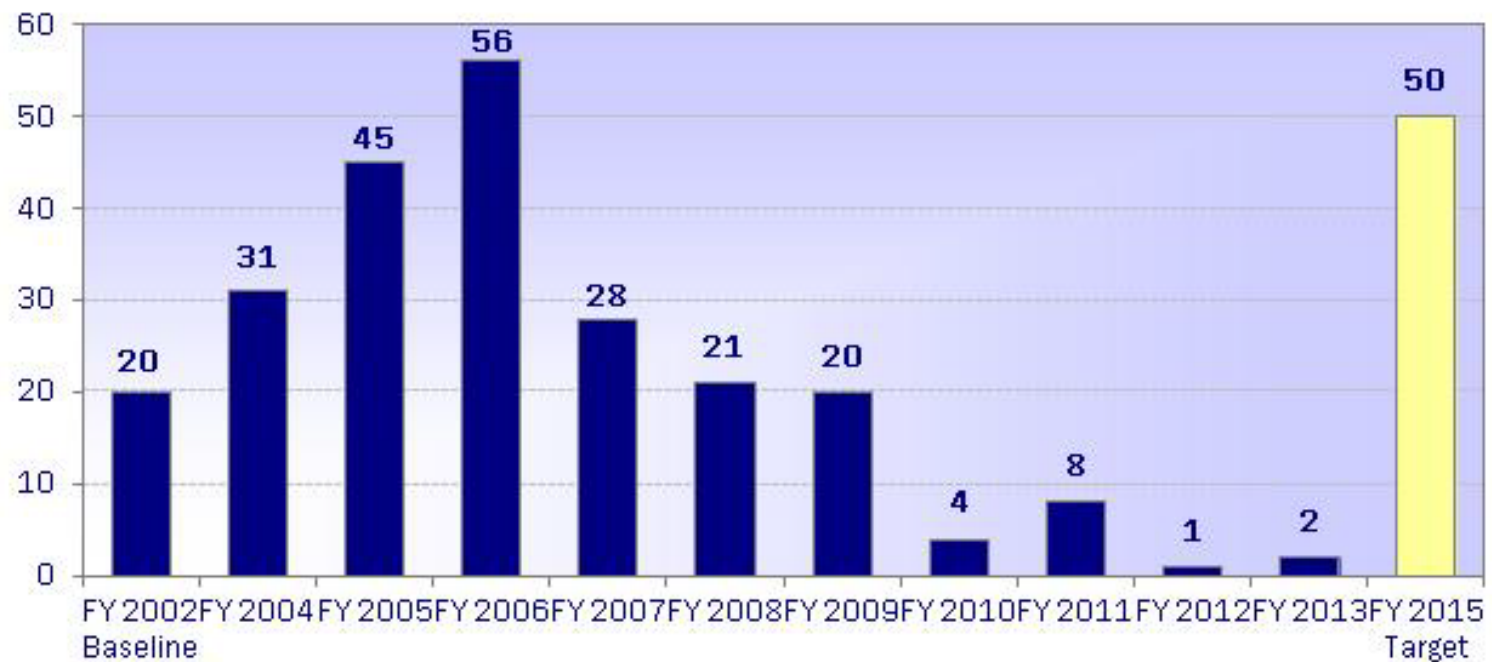
Homeownership: Assistance

Setting an objective:

Current: Assist 50 households with incomes below 80% of median to become homeowners.

Homeownership: Assistance

9B: Households Receiving Home Ownership Assistance



Setting an objective:

Current: Assist 50 households with incomes below 80% of median to become homeowners.

Set the objective as a reference to the supply of for sale stock affordable to households below 80% AMI.

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120%+ AMI	1,965	67.6%	50.7%	67.1%
Total	2,905	100.0%	100.0%	100.0%

Source: Metropolitan Regional Information Systems (MRIS)



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Help us build a solid foundation for
the future of housing in Arlington.

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