



AFFORDABLE HOUSING STUDY

Spring 2015
Civic Engagement



ARLINGTON
VIRGINIA

Housing Affordability is Essential to Our Vision

Arlington will be a **diverse** and **inclusive** world-class urban community with secure, attractive residential and commercial neighborhoods where people unite to form a caring, learning, participating, **sustainable** community in which each person is important.

Why this matters?

Supports our people

- Improves our neighborhoods
- Strengthens our economy
- Competitiveness
- Supports jobs
- Customer base
- Local spending



Draft Principles

1. Housing affordability is essential to achieving Arlington's vision.
2. Arlington County government will take a leadership role in addressing the community's housing needs.
3. A range of housing options should be available throughout the County affordable to persons of all income levels and needs.
4. No one should be homeless.
5. Housing discrimination should not exist in Arlington.
6. Affordable housing should be safe and decent.

Process

2013		2014		2015
Information Gathering	Research and Analysis	Policy and Strategy Development	Review and Comment	Board Action



Interim Data Report



















Needs Analysis Report



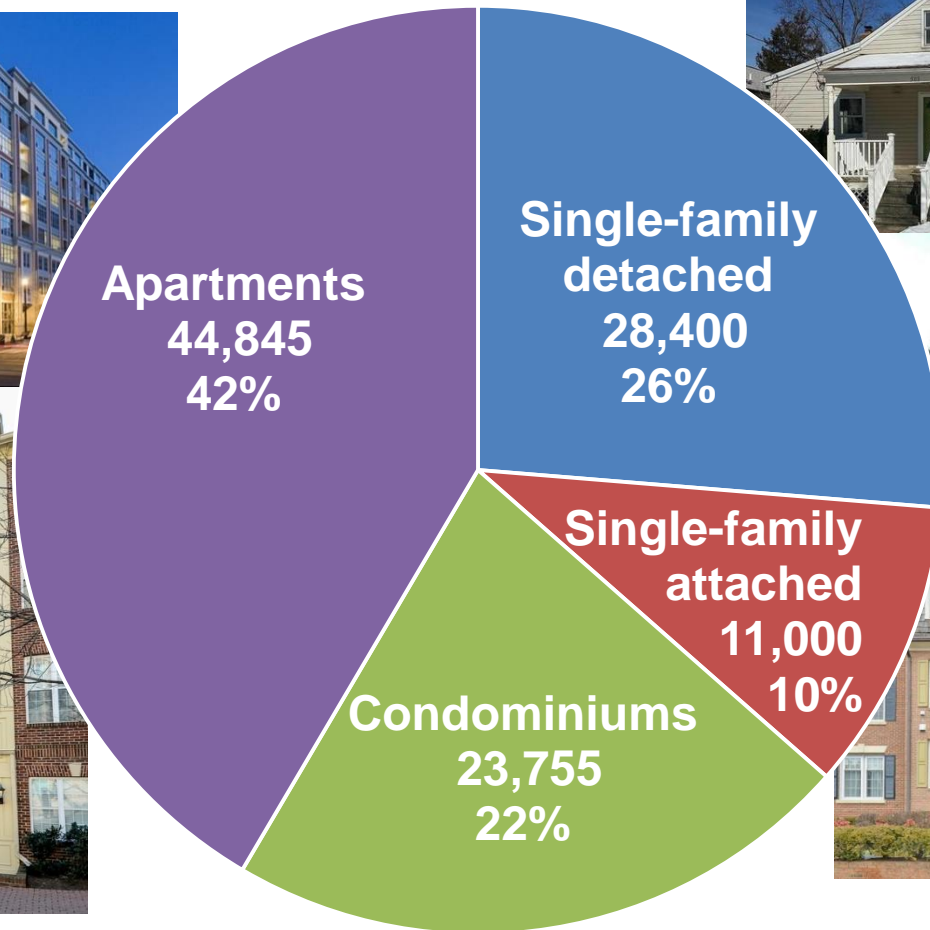
Affordable Housing Master Plan And Implementation Framework

Understanding Area Median Income

Income Group	What type of household is this?	How much can they afford to spend on housing? (30% of income)
<p>0-30% AMI</p> <p>  Up to \$32K  Up to \$23K </p>	<p>People who are unable to work due to disability or age. Seniors on fixed income. Low-wage workers, including many retail, restaurant and social service workers.</p>	<p>\$0 - \$820 </p> <p>\$0 - \$575 </p>
<p>30-60% AMI</p> <p>  \$32K to \$66K  \$23 to \$46K </p>	<p>One person working as an administrative assistant, electrician, or bus driver. Two workers in the retail, restaurant, or social service fields.</p>	<p>\$820 - \$1,640 </p> <p>\$575 - \$1,150 </p>
<p>60-80% AMI</p> <p>  \$66K to \$87K  \$46K to \$61K </p>	<p>One or two workers in entry-level professional service, non-profit, government or health professional jobs.</p>	<p>\$1,640 - \$2,185 </p> <p>\$1,150 - \$1,530 </p>
<p>80-100% AMI</p> <p>  \$87K to \$109K  \$61K to \$77K </p>	<p>One or two workers in entry- or mid-level professional service, non-profit, government, or health professional jobs.</p>	<p>\$2,185 - \$2,725 </p> <p>\$1,530 - \$1,915 </p>

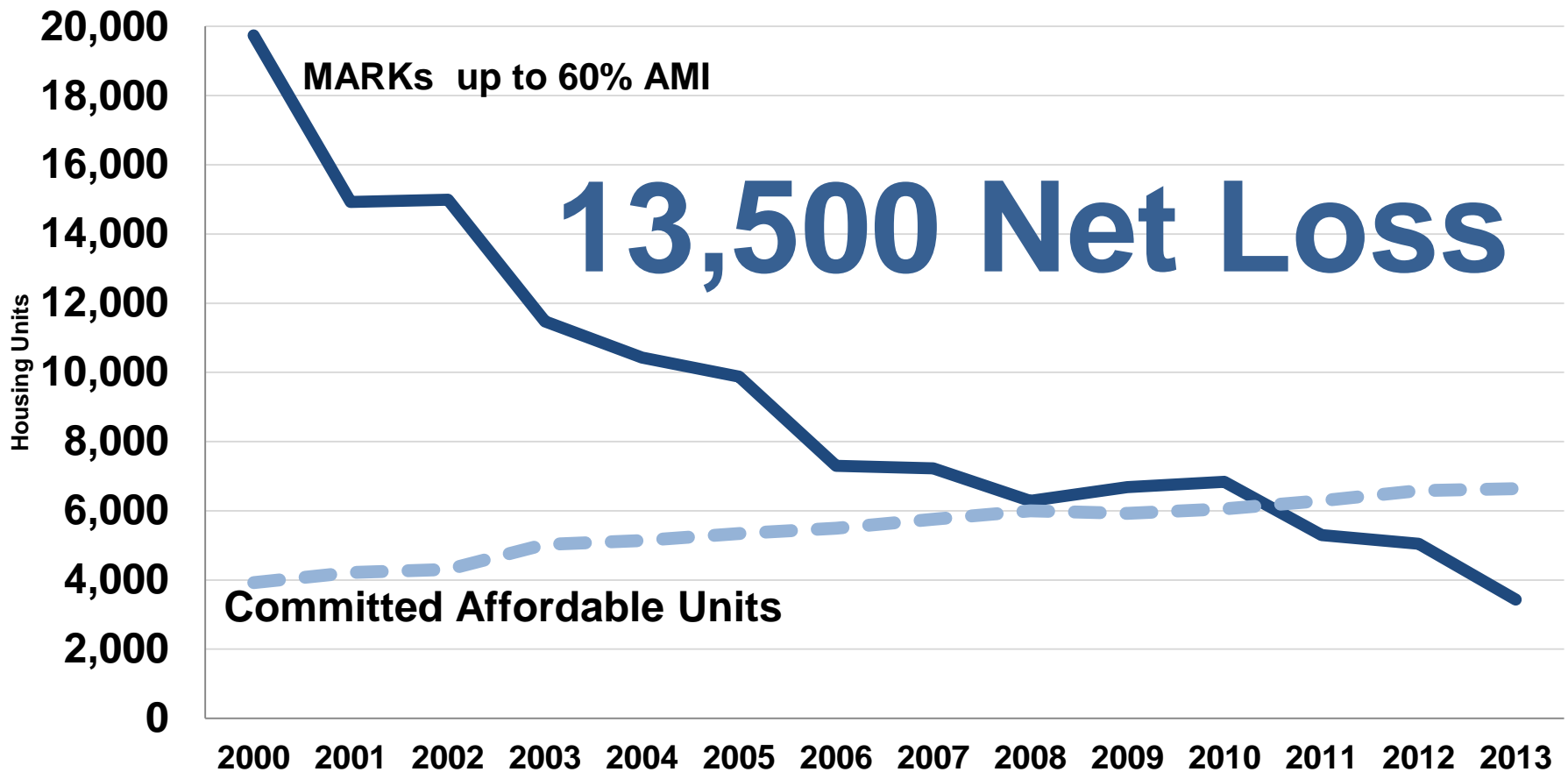
Numbers are rounded

Findings: Supply



Findings: Supply

Inventory of Market Affordable and Committed Affordable Units 2000-2013



Source: Arlington County

Findings: Affordability Gap

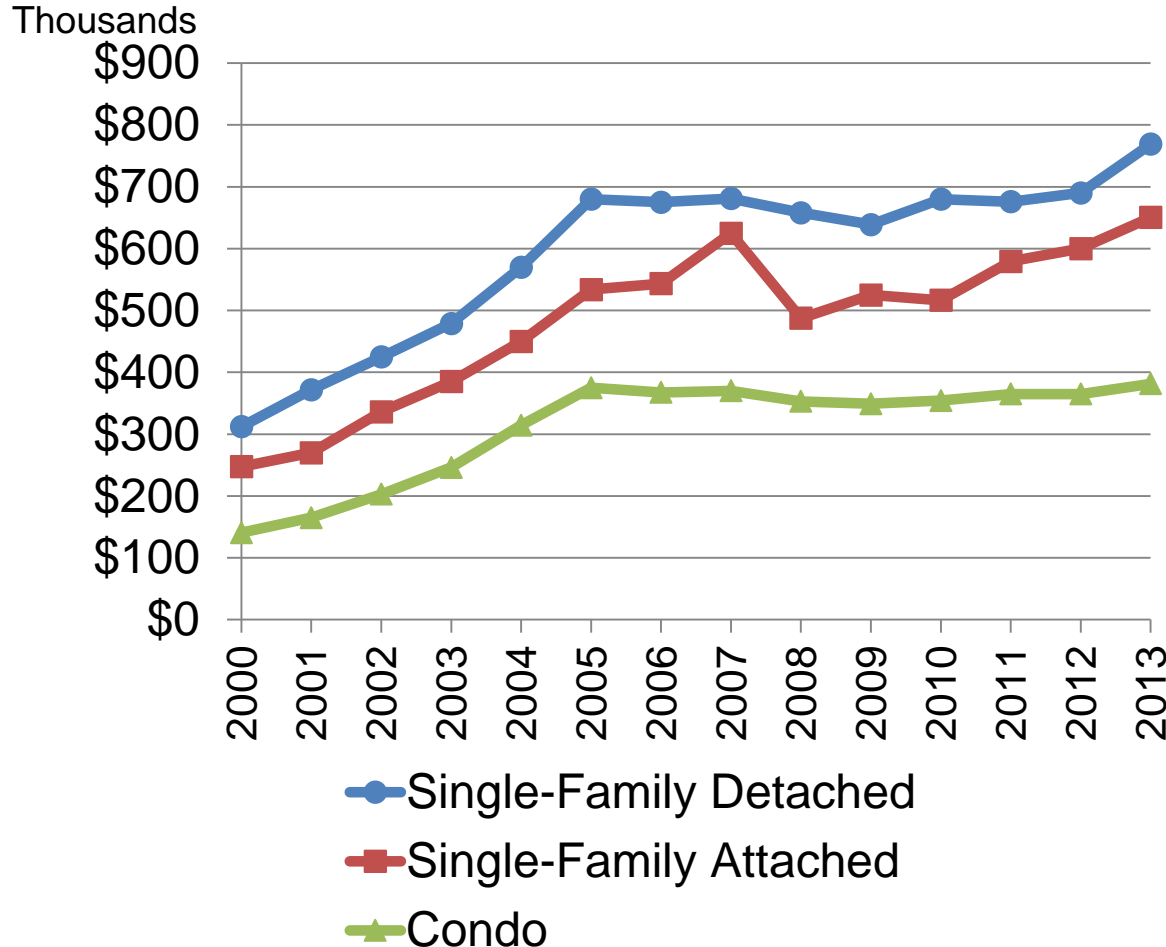


17,000 renter households with incomes below 60% AMI

9,500 apartments affordable at or below 60% AMI

Findings: Ownership

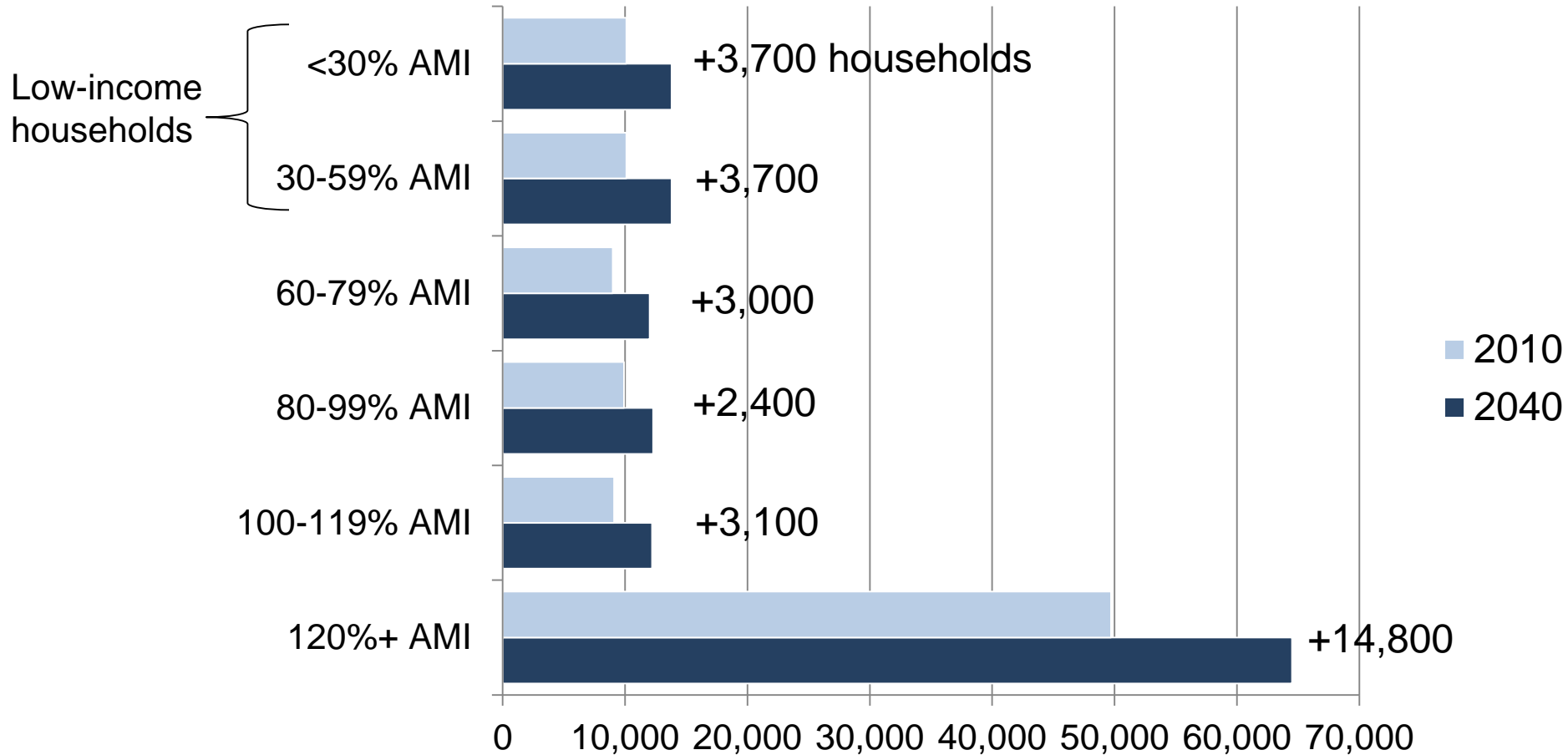
Home Sales Prices 2000-2013



Condominiums are the housing supply that are somewhat affordable for households with incomes below 120% AMI.

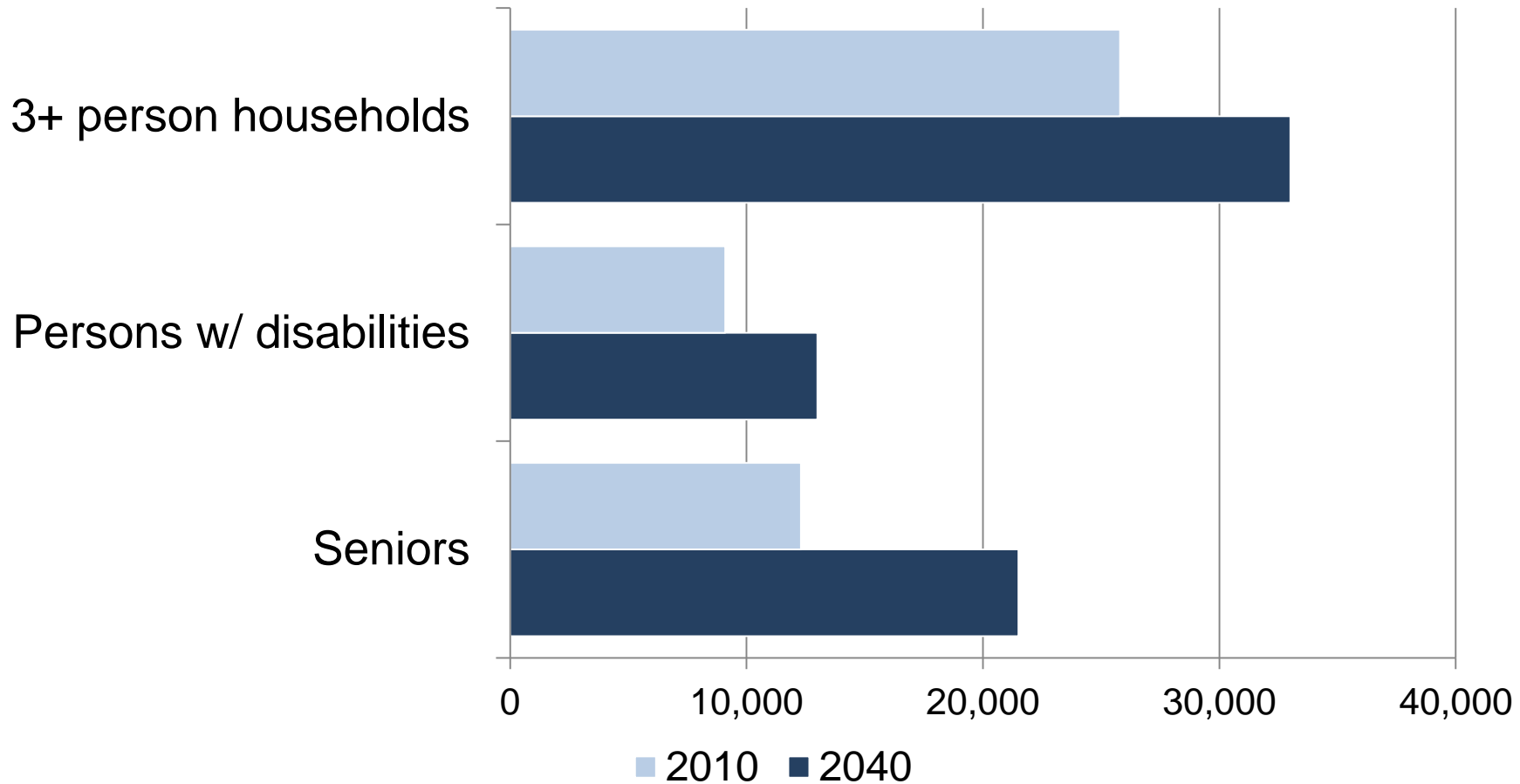
Findings: Forecast

Additional 30,500 Households by 2040 At what income levels?



Source: GMU/CHP estimates

Findings: Forecast



Source: GMU/CHP estimates

Affordable Housing Master Plan

ARLINGTON COUNTY, VIRGINIA

Affordable Housing Master Plan



An adequate **supply** of housing is available to meet community needs.

All segments of the community have **access** to housing.

Affordable housing efforts create a **sustainable** community.

Rental Objective

Produce and preserve a sufficient supply of affordable **rental** housing to meet current and future needs.

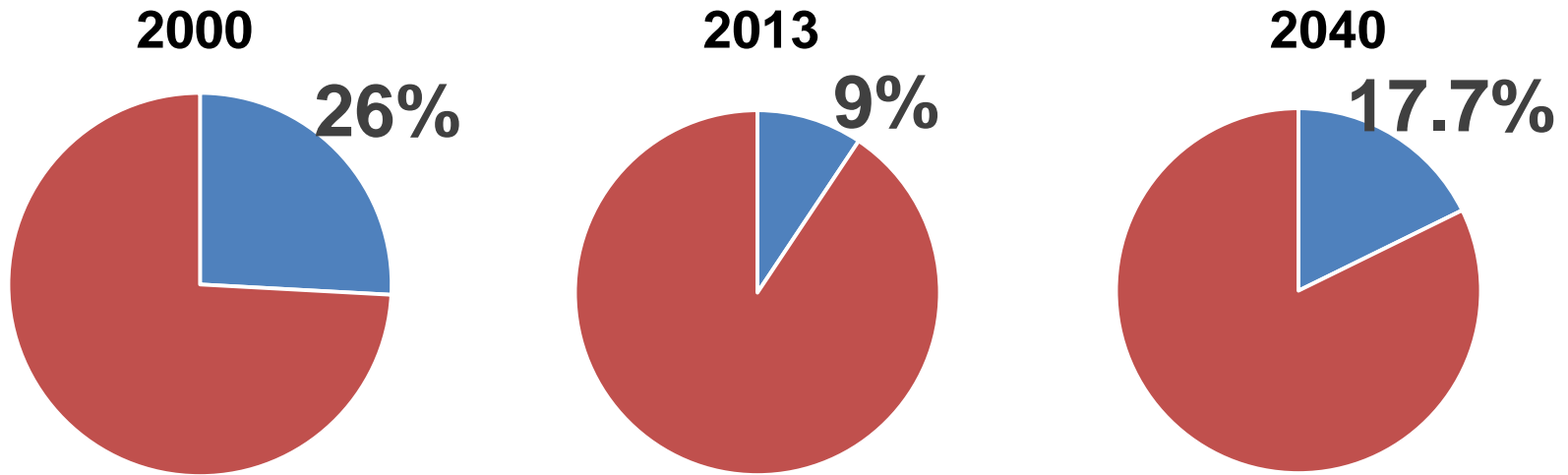
Preserves the economic diversity of households

By 2040, **17.7%** of the County's housing stock will need to be affordable to households with incomes at or below 60% AMI.

22,800 units or 15,800 net new CAFS

Goal 1: Supply

Produce and Preserve Rental Housing so that **17.7%** of our housing is affordable rental by 2040



■ Affordable Rental (MARKS + CAFs)

■ All Other Housing

Percent of Affordable
Rental Housing

=

Share of Forecasted Renter
HH below 60% AMI

Ownership Objective

Produce and preserve a sufficient supply of affordable **ownership** housing to meet current and future needs.

28.4% of ownership housing stock added should be affordable for households below 120% AMI

2,700 units

Preserves the current economic diversity of households

All segments of the community have access to housing.

Objectives

1. Fair Housing
2. Access for lower income households
3. Prevent and End Homelessness
4. Aging in Community
5. Independent Living (Disabilities)

Affordable housing efforts create a sustainable community.

Objectives

1. Safe and Code Compliant
2. Proximity to Transit
3. Energy and Water Efficiency
4. Long-term Affordability/Feasibility
5. Integration with County Plans

Implementation Framework

Arlington County
Affordable Housing Plan Implementation
Framework

DRAFT January 23, 2015

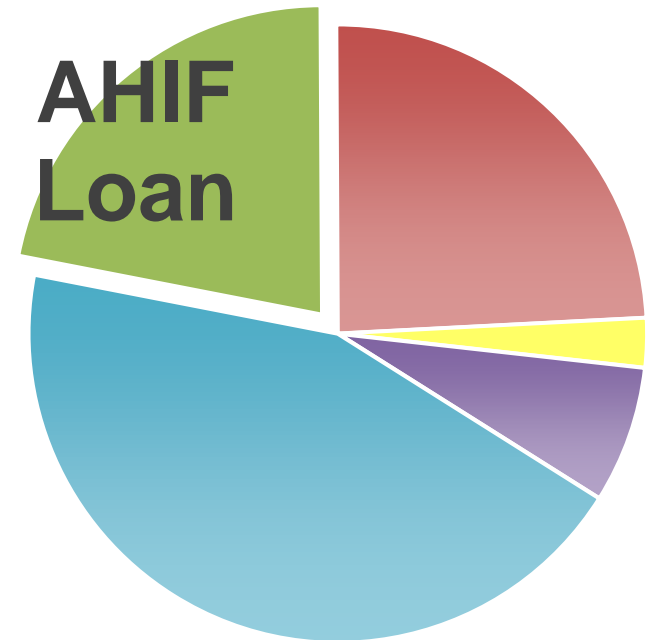


Existing Tools

- **Affordable Housing Investment Fund (AHIF)**
- **Federal and State Funds**
- **Industrial Development Authority (IDA)
Bonds**
- **Tax Incremental Financing**
- **Multifamily Rehabilitation Partial Property
Tax Exemption**
- **Transit Oriented Affordable Housing (TOAH)
Fund**

Affordable Housing Investment Fund

- Revolving Loan Fund
- Leverages other investment 1:3
- 1,654 CAFs financed from FY2010-2014



Where do the dollars come from to support AHIF?



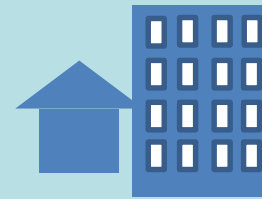
AHIF Funding Sources FY2010 - FY2014 (\$126.5 Million)

Existing Tools: Recommendations

- **Multifamily Rehabilitation Partial Property Tax Exemption**
 - Affordability requirement
 - Eliminate the 5-year step down
- **Transit Oriented Affordable Housing (TOAH) Fund**
 - Apply to other transit served areas of the County

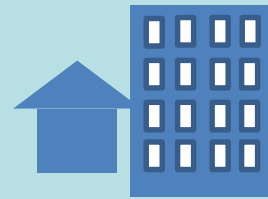
Potential Tools

- **Pooled Equity Fund**
- **Private/Public Partnership Fund for Development of Permanent Supportive Housing**
- **Separate Tax Classification**



Existing Tools

- **Site Plan**
 - **Affordable Housing Ordinance**
 - **Bonus Density**
 - **Special Affordable Housing Protection District**
- **Form Based Code**
- **Area Plans**
- **Transfer of Development Rights**
- **Accessory Dwelling (AD) Ordinance**

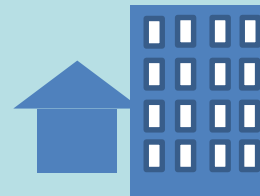


Establishes provisions for affordable housing for site plan projects

- On-site
- Off-site
- Cash contribution to AHIF

Applies to both commercial and residential development (excluding hotels)

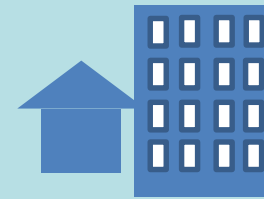
Provisions can only be changed by the General Assembly



Cash Contributions vs. Units

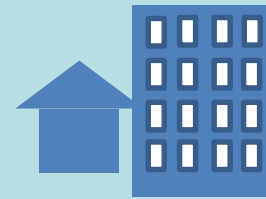
**1 On-Site CAF = 3.2 AHIF financed CAFs
Elsewhere**





Existing Tools Recommendations

- **Area Plans**
- **Form Based Code**
- **Bonus Density**
- **Transfer of Development Rights**
- **Accessory Dwelling (AD) Ordinance**



Potential Tools

- **Affordable Housing Parking Standards**
- **Simplified Land Use Approvals**
- **Affordable by Design Study**
- **Enabling Home Sharing**
- **Medium Density Zoning Definitions**
- **Community Energy Plan goals and targets**



Existing Tools

- **Rental Assistance and Tenant Services**
- **Homeowner Assistance and Homebuyer Services**
- **Special Needs and Homeless Services**
- **Fair Housing Services**
- **Building Services**



Reaching Extremely low-income Households

80% of rental assistance recipients live in CAFs

30% of CAF units are occupied by households with rental assistance



Potential Tools

- **Assistance to Low-Income Condominium Owners**
- **Employer-Assisted Housing**
- **Voluntary Rent Guidelines**
- **By-right Redevelopment Displacement Mitigation**
- **Accessible Unit Matching**
- **Landlord Partnership Agreement and Risk Reduction Fund**

- Geographic Distribution
- Preference for Arlington Residents/Workers
- Middle Income Needs
- Flexibility in Housing Types Beyond the Urban Corridors

- Commissions Review and Comment (March-June 2015)
- Request to Advertise (June 2015)
- County Board Action (July 2015)



AFFORDABLE HOUSING STUDY

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

housing.arlingtonva.us/affordable-housing-study
housingstudy@arlingtonva.us



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VIRGINIA

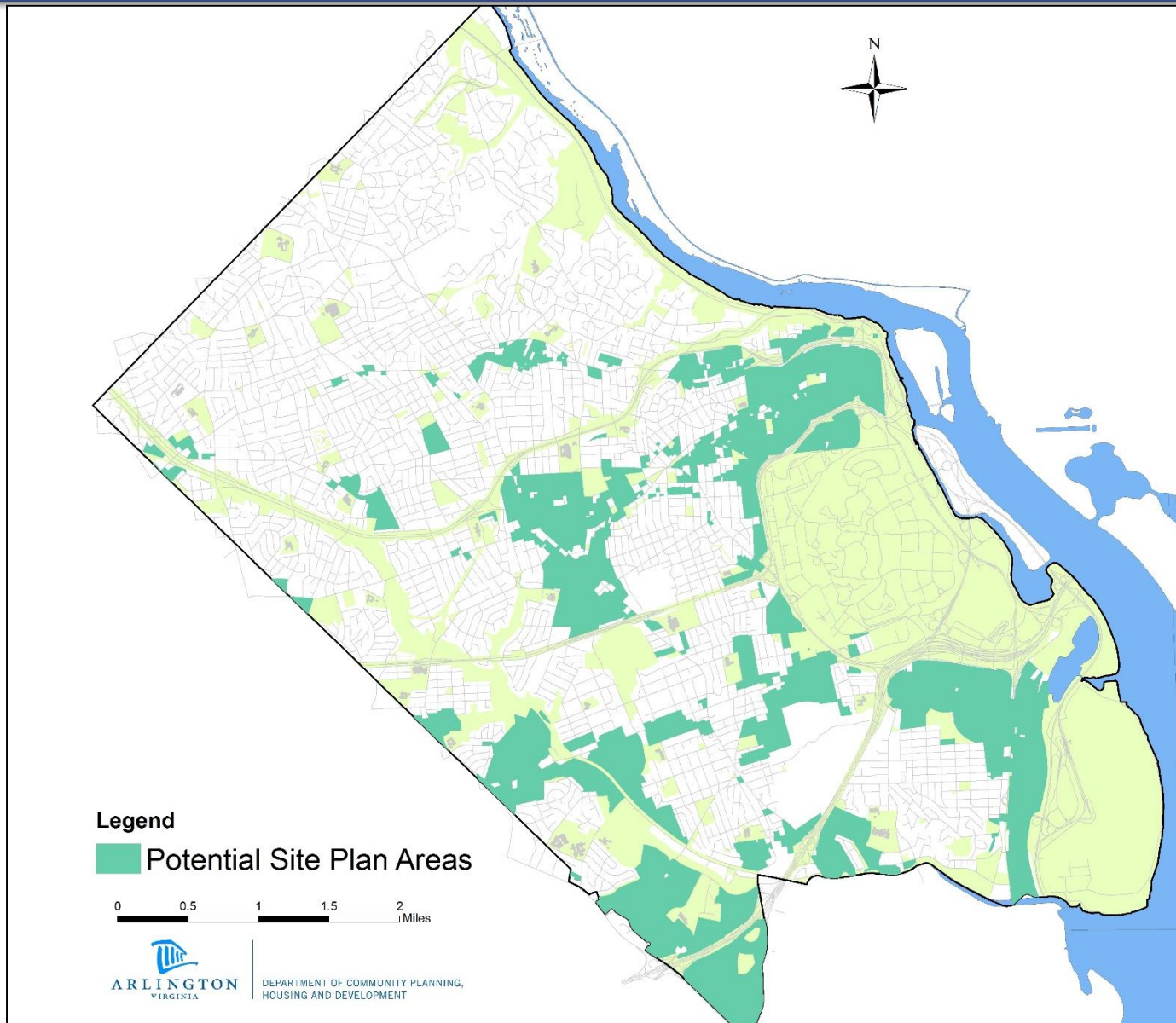
- All CAFs are monitored for compliance with affordability requirements
- Most (5,161) are monitored by County staff
- Additional monitoring performed by HUD and VHDA
- Physical unit inspections at about 36 CAF properties are conducted each year
- Annual Occupancy Reports

- 75.4% had at least one adult household member who was already living or working in Arlington
 - 66.5% Arlington Residents
 - 8.9% employed in Arlington

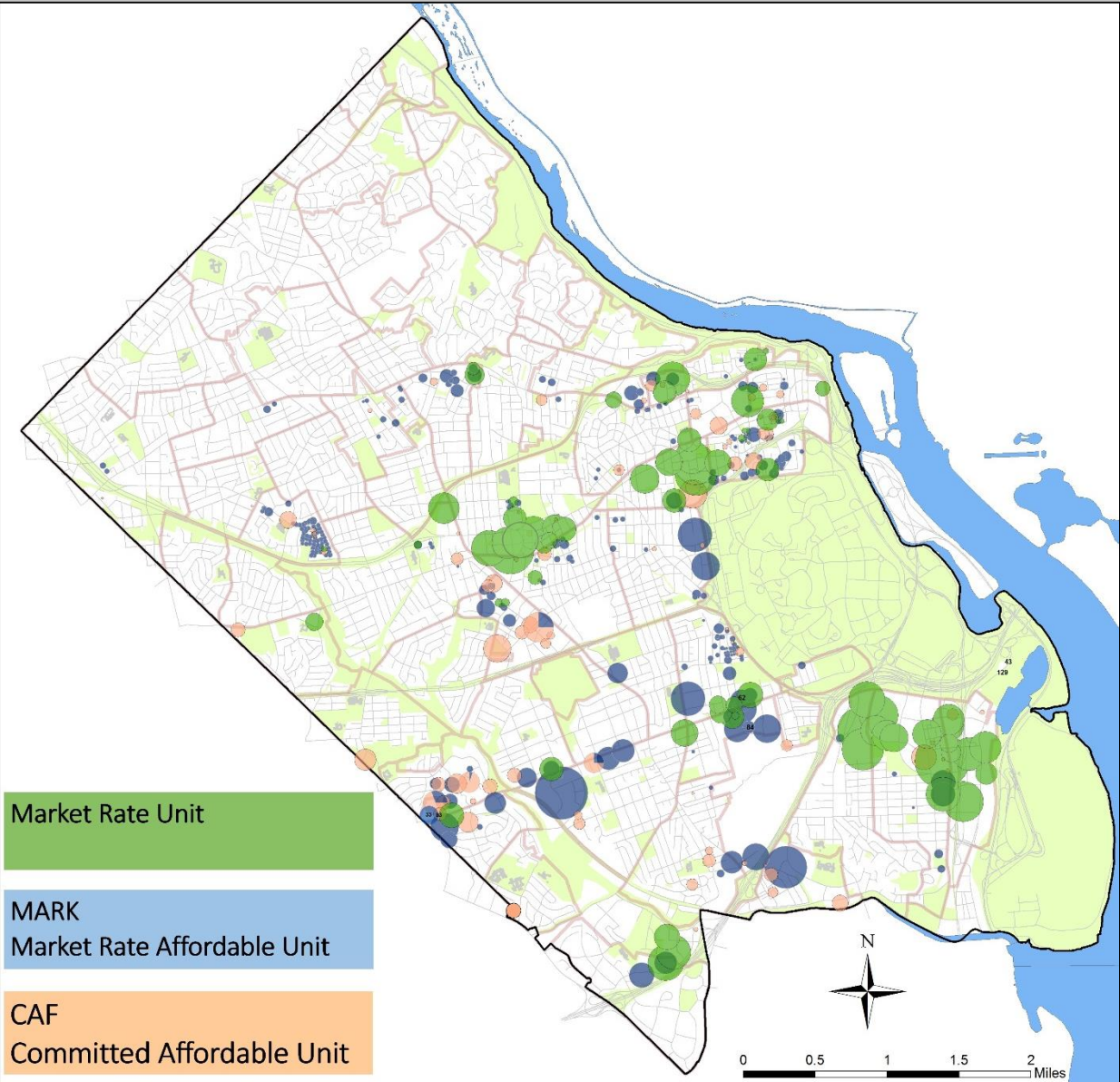
§ 15.2-2223. Comprehensive plan to be prepared and adopted; scope and purpose.

D. The comprehensive plan shall include the designation of areas and implementation of measures for the construction, rehabilitation and maintenance of affordable housing, which is sufficient to meet the current and future needs of residents of all levels of income in the locality while considering the current and future needs of the planning district within which the locality is situated.

Site Plan Areas

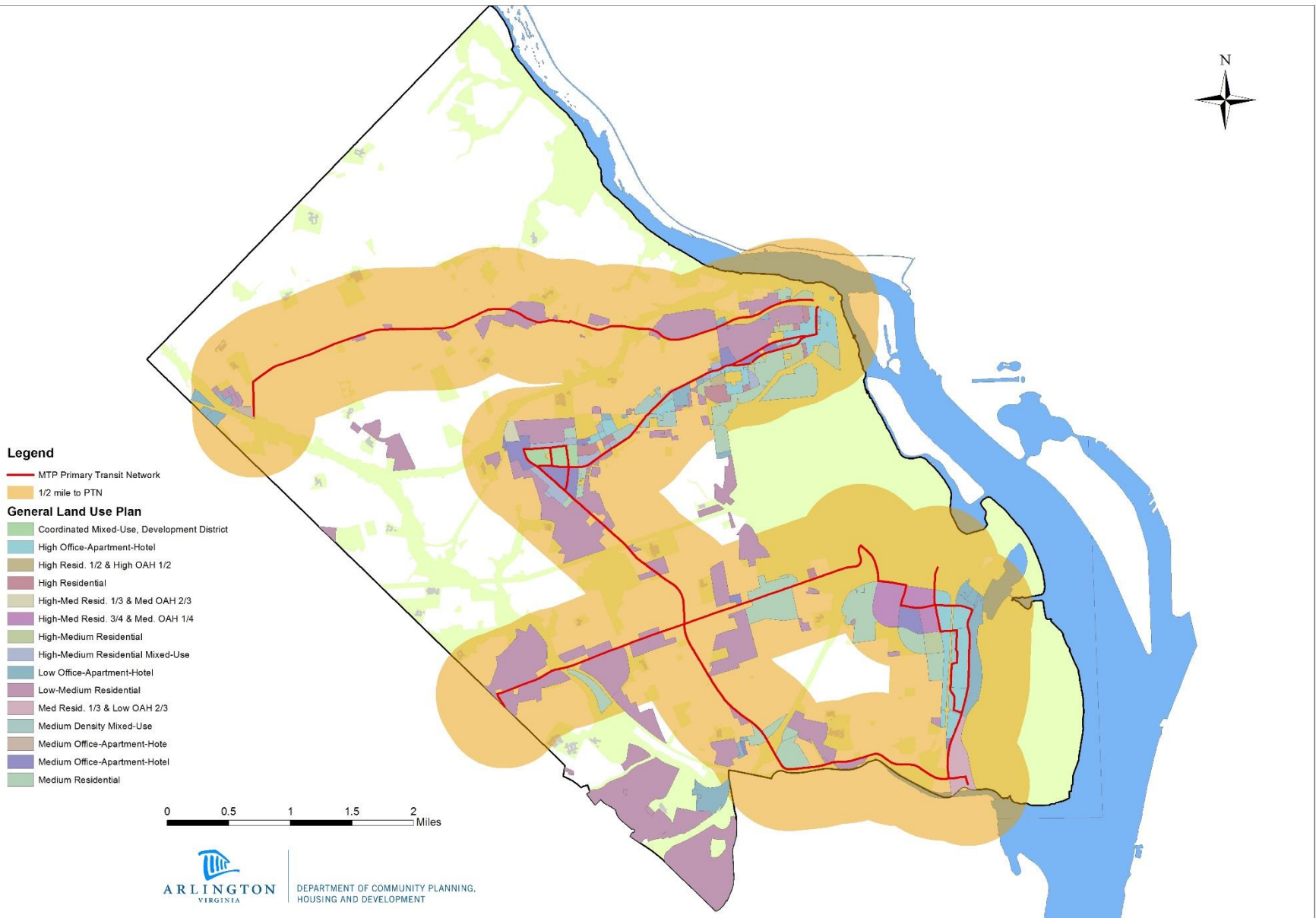


Distribution of Multi-family Rental



Master Transportation Plan Primary Transit Network

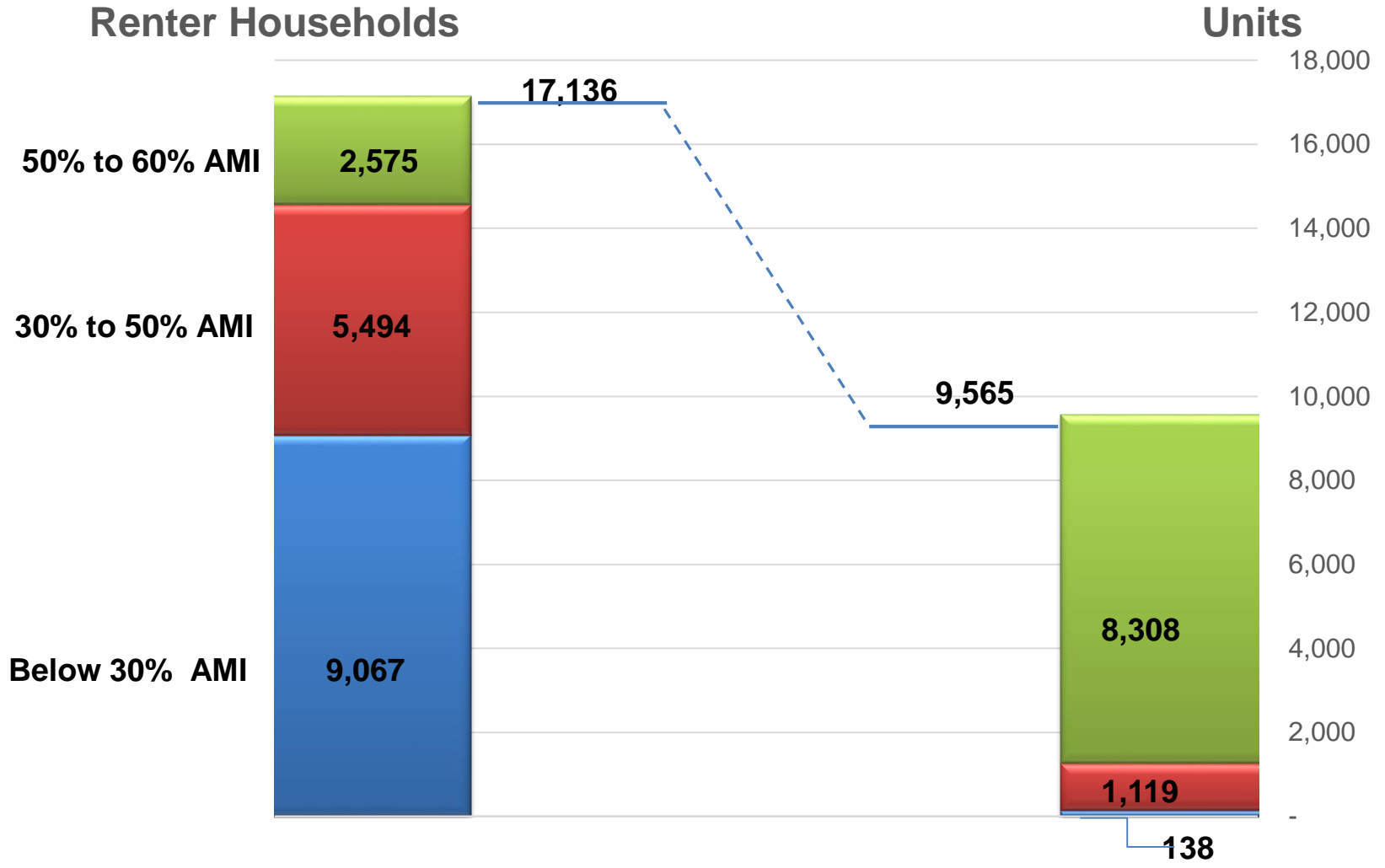
AFFORDABLE
HOUSING STUDY



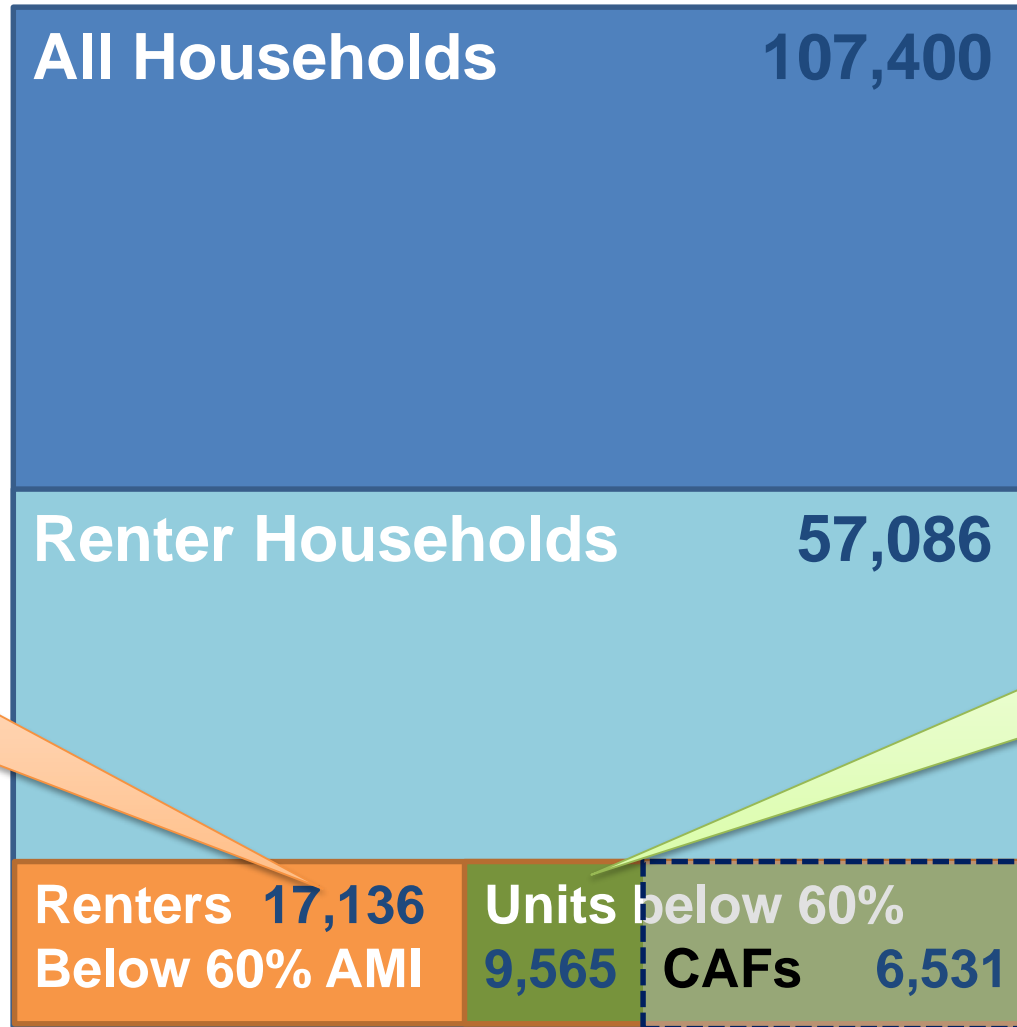
Geographic Distribution of Multi-Family Affordable Housing

- 1.1.2. Prevent the loss of committed affordable housing.
- 1.1.3. Make every reasonable effort to prevent the loss of market-rate affordable rental housing.
- 1.1.6 Remove barriers to the production of moderately-priced rental housing, including non-subsidized housing.
- 1.1.8. Produce committed affordable rental units in the County consistent with the County's adopted land use plans and policies along or near current transit corridors.
- 3.2.2. Ensure that committed affordable rental units have high levels of access to transportation options consistent with the Master Transportation Plan and transit-oriented development.

Findings: Affordability of Rental Supply Compared to Household Incomes



Findings: Rental



30% of all renters
16% of all households

Only meets 56% of the need