

LIVABILITY 22202

Working Group Report on

Housing Affordability

Livability22202 is a collaboration of the Arlington Ridge, Aurora Highlands, and Crystal City Civic Associations representing the residents of the Pentagon City and Crystal City neighborhoods in zip code 22202.



Visit livability22202.org for additional reports and information.

This report reviews the housing history, data, and recommendations prepared by 22202 residents to address the need for diverse and affordable housing types in the area. Given the upward pressure on rents and housing prices that have already restricted who can live in 22202, this report provides a series of detailed proposals for ensuring the neighborhood can be welcoming to a diverse population. These recommendations were developed through two workshops in early 2020 and written by a group of neighborhood residents.

The Livability22202 Housing Group welcomes comments, suggestions and alternate views on this topic. Please email info@livability22202.org.

This report should be viewed as part of a larger whole; its recommendations will be (are) coordinated with the other reports and working groups in the Livability initiative. For more, see www.livability22202.org.

LIVABILITY 22202
HOUSING AFFORDABILITY
WORKING GROUP COMBINED REPORT
EXECUTIVE SUMMARY

This report presents the recommendations of 22202 residents on how to address the current and predicted housing shortage and resulting constraints on the diversity, across multiple spectrums, of who is able live in our neighborhood. In reviewing our neighborhood’s history, trends and barriers to housing, as well as our shared values, residents developed specific approaches that private and public entities should adopt to address restraints on who can live in 22202. These recommendations should be taken in the broader context of, and adopted alongside approaches to, addressing overall livability needs in the area. They are categorized into the following sections in this report:

Avoiding Displacement – Providing ways that those who live in our neighborhood can continue to do so.

New Development of Diverse Housing – Allowing for new housing that makes space for a variety of housing types and income levels.

Building Community – Breaking down barriers between 22202 residents in different housing situations.

The *Livability 22202* initiative began in 2019 as a project of three civic associations in 22202—Arlington Ridge, Aurora Highlands, and Crystal City—as the neighborhood leaders recognized a need for a long-term vision for the area as change rapidly approaches. The initiative published a framework for identifying needs to enhance a livable community as part of an Action Plan.¹ The scope of this plan encompasses the intersections between housing, open space, schools, essential services, transportation, and small businesses for responsible neighborhood growth. Livability 22202 leaders want to see a more diverse, affordable, thriving, and engaged community that addresses the intersections of all these needs.

This report specifically focuses on how to achieve livability by addressing housing issues. The recommendations herein should be considered as part of a full-scope livability plan.

The Livability 22202 Action Plan highlighted housing as an area needing additional attention. As a result, in the first half of 2020, neighbors from the three civic associations got together through a series of discussions, including two formal workshops, to develop an agenda on housing affordability within the zip code.

¹ “Livability22202,” February 7, 2020. <http://livability22202.org/>.

Our goal was to develop consensus, despite coming from different housing situations and life experiences, about how to make 22202 a better place to live. We realized, by looking at the history, current trends in Arlington, and experiences of cities like Seattle, that the status quo is not leading to a path towards affordability and livability. By starting with mutually-held values as a framework, we developed an agenda, described in this report, to start our neighborhood on a more sustainable housing pathway.

The two formal workshops in early 2020 brought together residents with different backgrounds and extensive knowledge of their communities and County processes. All residents living in the 22202 zip code were invited to attend through community listservs, social media posts, and one-on-one outreach. In the first workshop, with over 30 attendees in January 2020, we synthesized descriptions of our shared values and identified barriers to housing affordability. These values served as a framework for developing possible solutions, the focus of the second workshop.

In that March workshop, over 50 community members assembled and refined these values into actionable solutions with specific objectives that we believe are needed to address issues with housing, including Displacement, Development, and Building Community. From there, a smaller action group of ten community members who led and attended the workshops came together to codify these potential solutions into action items in this report.



Participants in the second 22202 housing workshop (March 7, 2020)

The 22202 Community has a particular historical housing context that feeds into the recommendations of this report. In the early 20th century, many of the now single-family areas of Aurora Highlands and Arlington Ridge were developed as one- to four-unit housing. Eventually these areas were zoned as single-family only, reinforced by visions and policies which often included explicit racial restrictions and redlining.

Meanwhile, Crystal City and Pentagon City, previously industrial, were built out from the 1960s to 1980s as dense, urban areas, particularly with an eye to the coming of the Metro. Historically, the

area has been heavily dependent on the federal government as a primary source and driver of development and employment. With the Base Realignment and Closure Commission (BRAC), there were dramatic shifts in the employers located within 22202 and other Federal agencies which led to large office vacancies and departure of thousands of workers in the 2000s, though Arlington as a whole has continued to see population growth.

In November 2018 Amazon announced that it had selected the area of Pentagon City and Crystal City for its second headquarters (HQ2), which would result in bringing 25,000 direct new jobs to the area. Over the next decade, as new employees move to the area, already high demand for housing is expected to increase within the small area of 22202 surrounding the site, as well as throughout the region.

Reflecting about this housing and development history, along with hearing stories of those who have faced challenges finding housing that meets their needs and gaining input through facilitated conversation, workshop one participants identified the following *barriers* to achieving housing livability:

- History: historical patterns of exclusionary zoning, racial covenants and inadequate long-range planning
- Political will: the need for focus and urgency by elected and corporate leaders
- Market forces: growing popularity of our area and dynamics of development industry
- Policies: limitations on development of new housing supply and resources to ensure all can afford to live here
- Coalition: the need for residents of all backgrounds to make housing adequacy a priority

We determined that to overcome these barriers, we must come together through shared core values. Solutions informed by shared values are stronger and thoughtfully considered. We identified the following *values* for achieving housing livability:

- Diversity: housing availability must be inclusive in race, class, age, ability, ownership and housing type
- Community: housing must help build community and integration between our diverse group of neighbors
- Livability: housing must be combined with open space, essential services (schools/health/banks/grocery stores/pharmacies), transportation, and small businesses
- Safety: housing must promote community safety so all can feel comfortable here
- Engagement: housing planning processes must include a fuller scope of input, representative of all residents' hopes and interests.

Based on the identified barriers and values, the second workshop focused on identifying solutions in three broad areas. After listening to a series of presentations and engaging with housing experts from the public and private sectors, attendees participated in a series of small group discussions and

identified the following proposed solutions that can be adopted by both public and private stakeholders in the housing space.

Objective A: Avoiding Displacement

- Providing assistance for both tenants and homeowners at risk of displacement
 - Increase direct cash assistance to help fill short-term housing gaps
 - Expand tenant rights and expand awareness of existing protections
 - Establish a right to counsel
 - Reduce costs for groups including low-income, senior, and disabled homeowners
- Encouraging, through responsibility and incentives, people and entities that own rental units to provide housing that is affordable to a spectrum of individuals
 - Encourage corporate citizenship with landlords recognizing their stakeholder responsibilities as stewards of housing
 - Expand affordability through negotiations in exchange for incentives such as bonus density, streamlined regulations, and zoning changes
 - Explore establishing tax abatements or exemptions that support affordability of properties in 22202
- Creating state policies that encourage affordable rental options and ownership
 - Establish rent stabilization policy that targets rent increases at or near inflation
 - Boost the Affordable Housing Ordinance's tools to establish mandatory inclusionary zoning on new developments and major renovations
 - Explore developing a tenant first-right-to-purchase act
 - Expand state funding for affordability preservation in 22202
- Using educational tools to raise awareness of the risks of displacement

Objective B: New Development of Diverse Housing

- Increasing production of new affordable housing
 - Encouraging partnerships between community organizations and affordable housing developers
 - Increasing funding for the Affordable Housing Investment Fund
 - Leveraging County policies, including zoning and the ability to purchase land, to increase the availability of affordable housing
 - Increasing outreach to community leaders to make connections for affordable housing
- Increasing production of new market rate housing
 - Encouraging new production of varied forms, from high rise to 1-4 unit, particularly along existing and potential retail and transit corridors
 - Using zoning tools to permit more density, while also incorporating design elements that align with the character of the neighborhood
 - Identifying areas within the single-family zoning blocks that may be appropriate for multifamily housing
 - Developing more housing options for seniors
 - Identifying where fallow sites or parking lots could be better used for housing

- Modifying parking standards that drive up the price of housing

Objective C: Building Community

- Using County institutions to foster a cross-22202 planning culture
 - Bringing the three civic associations into more formal cohesive structures in planning processes.
 - Considering how new residential development can foster community explicitly in Site Plan review processes
 - Allocating County resources to specifically develop community throughout 22202 as a model for the rest of the County
- Creating both physical and digital spaces for community building, including a full-scope community center
- Developing policies and processes to better include renters in the community, particularly addressing barriers to information sharing with residents of high-rises.

It is important to note that the solutions to the challenges in 22202 are not likely to be solved solely within the zip code. Arlington County and the larger region will need to engage in this effort. We want to ensure our neighborhood reflects the vision of an inclusive community and that residents' voices are heard in a rapidly changing environment. By learning from the past and planning for a realistic future, we can ensure our shared values and visions as a 22202 community hold a promise that all are welcome to find a home here.

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1. HISTORICAL BACKGROUND AND CURRENT CONTEXT

DEVELOPMENT HISTORY

The neighborhoods that comprise 22202 have a mix of housing types due to the area's development history. The Aurora Highlands and Arlington Ridge areas west of Route 1 and south of 18th Street consist of subdivisions that primarily began developing around the turn of the 20th century and into the post-WWII era. Early history includes two thriving African American neighborhoods just outside today's 22202 boundaries: Freedman's Village (1863-1900) and Queen City (1900-1941) with its trolley stop. Residents of the Village were forced to relocate to other small Black communities around 1900, while those in Queen City were abruptly displaced through eminent domain in early 1942, when their land was taken to build access roads and parking for the Pentagon².

The discriminatory treatment of African Americans was not limited to the Pentagon development, as a 1940 deed for property in Aurora Highlands notes: "The said property shall be subject to the restriction, condition and limitation, which shall be considered as a covenant running with the title to said property, that no portion or part of said property, or any interest therein, shall be transferred, assigned, leased, rented, or in any way conveyed, inherited, or devised to anyone not of the Caucasian race;..." Although such covenants were invalidated through later legislation and court decisions, they remain part of the property records, reflecting development patterns³. Crystal City and Pentagon City remained largely industrial until midway through the 20th century, when brick factories (in the north) and railyards (in the south and east) closed⁴. These areas transitioned into dense multi-family buildings, retail, and office space. Zoning and land use ordinances reinforced these trends. For more information on the current composition of 22202, please refer to the Livability 22202 Action Plan.

The commercial and high-rise multifamily corridors have provided much of the county's economic backbone, enabling lower property taxes on low-rise and single-family areas. Businesses occupy 12.2 million square feet of office and retail space, with an additional 6.8 million square feet (an increase of 56%) under construction, renovated, approved, or proposed. This includes over 6,000 hotel rooms. Following losses of offices and workers in Crystal City, Arlington's efforts to attract new businesses (particularly Amazon's HQ2) has facilitated a recovery.

Land value has increased over time. In 1961, the 11 acres that are now home to RiverHouse North, a multi-unit building, was assessed at \$26,135 per acre and remained low for 15 years. Beginning in 1977, the rate of increase accelerated to the point where the most recent assessment is \$4.03 million per acre.⁵ With the arrival of Amazon HQ2 on the Metropolitan Park and PenPlace sites, very little of the 22202 region remains undeveloped, constraining future housing development potential as the available raw land is limited.

² Freedman's Village was originally built on Arlington Plantation, part of today's Arlington National Cemetery, the Pentagon, and Foxcroft Heights. Queen City—two acres of East Arlington just west of today's Pentagon—was home to black workers in the brickyards and railyards of Crystal City.

³ Excerpt from a deed recorded Feb. 22, 1941, for five lots in Aurora Highlands

⁴ The Potomac Yards railyards extended north into Arlington across Four Mile Run

⁵ The land for seven residential lots on 18th Street (total area 1.2 acres) was assessed at \$9,872 per acre in 1960. The value of that land has grown to \$3.68 million per acre in 2020, showing that the marked increases are not limited to the commercial properties, based on data from County property records.

FIGURE 1: 22202 in 1962

This 1962 photo of northeast 22202 reveals how relatively recent much of the development has been. Route 1 and I-395, with its ramp to Ridge Road are visible, along with the Pentagon, National Airport, the railyards, the three RiverHouse towers, Western Electric (now Costco), and a large drive-in movie theater east of Route 1 in Crystal City. Large stretches remain as vacant land, warehouses, and industrial buildings. By 1977, however, Crystal City was largely completed.



FIGURE 2: Housing Types and Zoning

This section of existing housing types and zoning across southwest 22202, spanning Arlington Ridge, Aurora Highlands, and a small segment of Crystal City, shows current zoning classifications which have historically grouped housing, with both intended and unintended consequences. Areas shaded blue here (slightly denser land use) include R2-7 duplexes, R10-T luxury townhouses, and a small slice of RA8-18 row-houses. Single-family residential, not shaded, is mostly zoned R-6 and R-5, but includes some larger lots, R10 and R8. Single-family zoned areas may include small multifamily housing built before 1960. Denser low-rise multifamily housing, shaded green in some areas, is RA14-26, RA8-18, and RA7-16.

22202 GEOGRAPHY

The Zip Code 22202 is generally bounded by the Potomac River, the Pentagon, I-395, and the Arlington-Alexandria border at Potomac Yard. It is represented by three civic associations and is subdivided into seven census tracts, as shown on the maps below. Census tracts are the Census’s bureau’s smallest area of measurement, allowing sub-neighborhood analysis of 22202. To facilitate understanding of housing data about subareas in 22202 in this document, the census tracts are referred to by place names⁶. Census tracts are the smallest geographic areas on which the Census Bureau publishes data (see Figure 3 below).

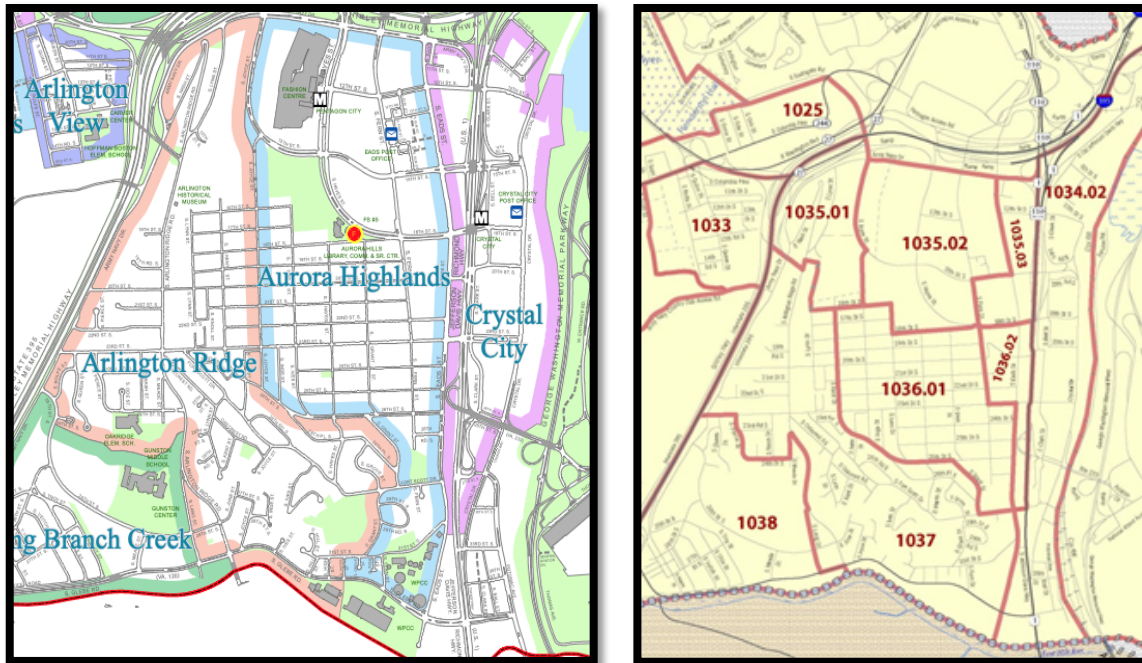
⁶ 2010 Census Tracts are used because they align with the data from the 2018 American Community Survey estimates.

FIGURE 3 – 22202 Census Tracts

Place Name	Civic Association	US Census Tract #
Crystal City	Crystal City	1034.02
River House	Arlington Ridge	1035.01
Pentagon City	Aurora Highlands	1035.02
Crystal City West Side	Aurora Highlands/Crystal City	1035.03
Aurora Highlands	Aurora Highlands/Arlington Ridge	1036.01
Crystal House	Aurora Highlands/Crystal City	1036.02
Arlington Ridge	Arlington Ridge/Aurora Highlands	1037

Note that the civic association and census tract boundaries are not completely aligned. That is noted in the civic association column where the civic association with the greatest area is listed first and the civic association with the lesser area is shown second. In the case of tract 1034.02, the southernmost portion includes an area that is currently not represented by any civic association. Another tract, 1038, is to the southwest of the 22202 zip code and similar to much of the neighborhood east of Route 395, but it is in the 22206 zip code. That neighborhood was invited to participate in the Livability project, but declined.

FIGURE 4: NEIGHBORHOODS AND CENSUS TRACTS



Civic Associations in 22202 above⁷

Census tracts in 22202 above

Looking at the individual census tracts in 22202 is necessary because the housing stock and residents differ in each of the tracts. Those differences would be masked if the housing and residents were discussed on a larger area.

RESIDENT POPULATION

Census data show that from 2011 to 2018, the population of 22202 grew more rapidly than the County, increasing from 9.5% to 10.7% of Arlington’s total population. During this time, the neighborhoods within 22202 gained about 800 residents per year, or a 3.7% average annual increase, exceeding the County average of 1.9% overall annual growth. Therefore, the population increase in 22202 accounted for 19.5% of the County’s total growth over this time despite having only approximately 10% of the population. Approved and expected multifamily housing projects means that trend will likely continue, with at least 7,500 more units coming. Looking at price trends over time, using Multiple Listing Service (MLS) data, the average home price has risen for 22202 from \$223,000 in 1996 to \$691,000 in 2019, a 210% increase. This compares to a 74.06% increase for such housing in the country as a whole (\$388,000).

⁷ The boundaries for the Census Tracts to not map directly to those of the civic association and tract 1035.03 is shared by the Aurora Highlands and Crystal City associations.

FIGURE 5: POPULATION AND HOUSING IN 22202⁸

	Zip Code 22202		Arlington County
	Number	% of Arlington	County Total
Population	29,490	12.7%	231,803
Total Housing Units	15,629	13.8%	112,888
Single-family (1-4 unit)⁹	2,494	5.4%	46,092
Multi-family (5 or more units)	13,135	19.7%	66,796

BACKGROUND: HOUSING IN 22202

Approximately 24,600 people reside in about 15,700 housing units in 22202. Of these, 16% of the units are in buildings with 1-4 units and 84% are in buildings with 5 or more units. However, most (82%) housing units are located in large, multifamily buildings with 20 or more units. All three of the Civic Associations within 22202 have a significant portion of their housing in these large buildings, ranging from 67% (Arlington Ridge) to 96% (Crystal City). Five of the seven tracts (Crystal City, RiverHouse, Pentagon City, Crystal City West Side, and Crystal House) have more than 90% of the tract’s housing stock located in buildings with 20 or more units. By contrast, the remaining tracts (Aurora Highlands and Arlington Ridge) have less than 1% of the housing units of those large buildings.

Between 2011 and 2018, the number of housing units in 22202 increased by 1,714 (10%). The bulk of that increase occurred in the Crystal City and Pentagon City tracts where 86% of the units constructed were located. The predominantly single-family tracts (Arlington Ridge and Aurora Highlands) saw only 3% of the total increase.

⁸ Source: The Census Bureau conducts the American Community Survey (ACS) to develop estimates of housing, economic, demographic, and other societal conditions in American communities. The source of this table and data in this section of the report is 2018 ACS 5 year data.

⁹ HUD and residential building codes generally consider residential properties with four or fewer units to be single family. In this category, 2,713 units are single family detached or attached (duplex) homes.

FIGURE 6: RESIDENTIAL POPULATION WITHIN MULTIFAMILY UNITS

Civic Association	Housing Units (Number)	22202 Units	Residential Population	22202 Population
ARCA	3,620	23%	6,079	25%
AHCA	4,924	31%	6,037	25%
CCCA	4,145	27%	8,302	34%
AHCA & CCCA¹⁰	2,940	19%	4,161	17%

HOUSING TYPES ARE SEPARATED

Census data provide insight into the areas of 22202 that are predominantly single-family versus multifamily. The Census data shows 22202 has one area (the Aurora Highlands and Arlington Ridge tracts) that has 91% of the total single-family detached housing and another area (the Crystal City, River House, Pentagon City, Crystal City West Side, and Crystal House tracts) that has 96% of the multifamily units (buildings with five or more units) in the zip code. Large multifamily (buildings with more than 20 units) are in 22202 more so than elsewhere in the County, as 22202 has 25% of those units (although 22202 has only 14% of the County’s total housing). Analysis shows that there are significant differences between single and multifamily housing. Additionally, the single family units are larger, with more than two-thirds of houses in the single-family areas have three or more bedrooms, compared to less than 10% of those in the multifamily areas.

The single-family area residents are generally more long-term residents, with over three quarters having lived there at least a year and over a quarter having done so for 20 years or more. In the multifamily areas, less than one in ten can claim this. Areas with more multifamily buildings have a much higher renter rate, with over 90% of units not being owner occupied, while the single-family areas have well over 3 in 5 homes as owner-occupied. Some factors contributing to affordability challenges include:

- High housing costs, with the median owner costs ranging from \$2,662 to \$3,646 per month
- Median rental costs range from \$1,805 to \$3,214 per month
- Two Census tracts have larger portions of rent-burdened units, where the gross rent exceeds more than 30% of the household income. These two tracts were at 44% (RiverHouse) and 48% (Crystal House) rent burdened.

¹⁰ There are locations where Census tract boundaries do not align with Civic Association boundaries, meaning that both AHCA and CCCA are represented in the data together. See Figure 3.

RESIDENTS

The community is divided socioeconomically between the single-family areas (the Aurora Highlands and Arlington Ridge census tracts) and the areas of 22202 that are predominantly multifamily. Single-family residents are less likely to use public transit to commute¹¹ and a quarter of them have 3 or more cars¹². Those two tracts also have a much higher median household income than both the County and the multi-family area averages: more than \$60,000 over median¹³. The data indicate there are fewer young adults but more children in this section of 22202, demonstrating heterogeneity in presumed needs across the area.,

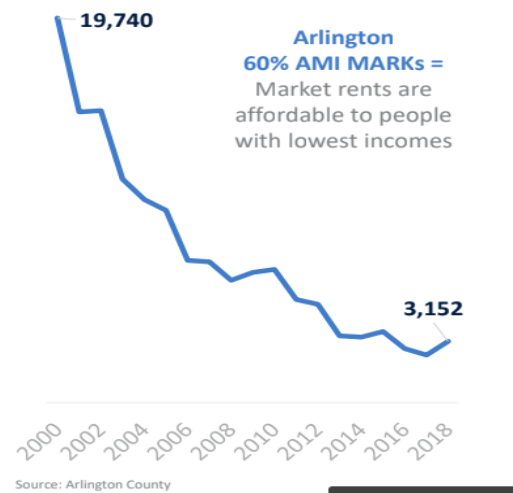
HOUSING AFFORDABILITY IS CRITICAL

Addressing housing affordability is critical to ensuring the neighborhood, County, and region continue to be livable, in terms of economics, commuting accessibility, and equity. While some might suggest those seeking affordable housing should move further out, housing savings are often offset by increased commuting costs. The lack of public transportation in outlying areas necessitates the increased costs of auto ownership which also contributes to increased traffic congestion.

Housing constitutes a significant portion of most residents’ expenses. If residents are cost-burdened, they cannot enjoy and contribute to retail and other businesses that underpin a thriving, mixed-use neighborhood.

Property taxes provide much of the revenue for Arlington County. According to a 2020 County press release, the County’s real estate tax base is split roughly equally between residential (51%) and commercial (49%) property assessments.¹⁴ The press release states:

“Commercial property values were driven by a decline in the office vacancy rate, continued new construction, demand for rental properties, and Amazon-related leasing activity. Apartment property values increased by 8.9 percent, office values increased by 2.5%, and general commercial property (malls, retail stores, gas stations, etc.) grew by 1.8%.”



¹¹ The ACS (table DP04, 2018 5-year) estimates that public transit is used by 21% of Aurora Highlands residents and 13% of Arlington Ridge tract residents, compared to the Arlington County average of 26%. For the other five tracts in 22202, the rate of public transit commuting ranges from 42% to 58%.

¹² The ACS (table DP04, 2018 5-year) estimates that the 36% of Aurora Highlands tract households have two cars and 25% have three or more cars. For the Arlington Ridge tract, 49% have two cars and 25% have three or more cars. For comparison, the next closest tract in 22202 is Crystal City with 22% with two cars and under 1% with three or more. Because these are household estimates, they could reflect the vehicle ownership that may be present in shared housing (with multiple adults each with a car)

¹³ Aurora Highlands and Arlington Ridge have higher median and mean household income than the rest of 22202, and the County. The median household income for Aurora Highlands is \$181,900, compared to Arlington’s \$117,300 and Arlington Ridge is higher at \$189,900 (ACS table DP03, 2018 5-yr).

¹⁴ "Commercial, Residential Property Values See Measured Growth for 2020," (2020). Retrieved April 2020 from <https://newsroom.arlingtonva.us/release/arlington-property-values-see-measured-growth-for-2020/>

Despite the recent rebound in commercial property value, in recent years, Arlington experienced revenue crunches as commercial vacancy rates rose. If a similar scenario re-occurs, taxes would again increase for existing residents, or a decrease in services could be experienced to offset revenue loss, if housing is not addressed as part of an effort to broaden the tax base.

Arlington has also experienced challenges in providing adequate affordable housing. Because of the housing costs in 22202, there is a lower density of assisted¹⁵ housing in the zip code. For example, by one measure, affordable privately-owned rental units in Arlington that are not subsidized—Market-Rate Affordable Rental Units (MARKs)—have declined by 84% since 2000. Sixty percent MARKs in the Rt. 1 corridor have declined 100% since 2000, from 1,397 units to 33 in 2014, to zero in 2018¹⁶. MARKs largely serve lower/middle wage workers that staff hotels, restaurants, and many essential public service jobs. The challenge of recruiting and maintaining quality employees will grow if the supply of MARKs remains unaddressed.

Businesses generally rely on workers who live within a reasonable distance of their place of employment. A community benefits when people can live close to their jobs, whereas the local economy suffers if businesses cannot sustain workers who live far away. Local businesses that hire and train lower-wage staff suffer if employees cannot live near their jobs—when taxed by long commutes, the employees often leave the businesses that paid to train them. The hospitality and retail industries, which drive much of 22202’s economic engine, depend on lower-wage workers. Other areas are competing against Arlington and revenues will decline if the area does not maintain a vital business sector.

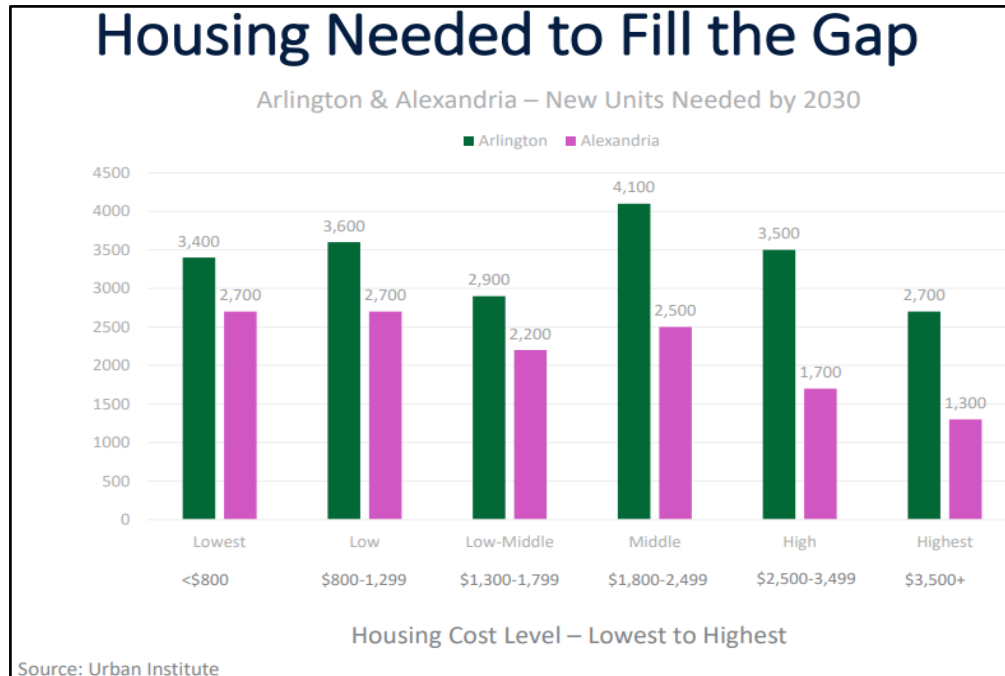
Further, shelter is one of the most basic and essential human needs. In light of increasing housing costs, and as the neighborhood redevelops with the pending arrival of Amazon, the County and neighborhood must partner to come up with creative, innovative solutions. A lack of affordable housing negatively impacts the entire community when residents and businesses are displaced.

As identified in the following graph, the Washington metropolitan region has a shortfall for the housing units needed given expected population growth. Not meeting these targets means that those with access to fewer resources, such as lower income workers and communities of color, will not have access to housing.

In order to meet the housing needs of all family incomes, allowing a diverse workforce and population, filling the gap will require a diverse set of housing types, with affordability at varying levels, as shown in the following chart.

¹⁵ Assisted housing is housing where the unit receives some external subsidy to reduce the rental payment of the resident. In high housing cost areas, the rent may exceed the tenant payment and subsidy, which reduces the number of assisted units.

¹⁶ “Affordable Housing Master Plan.” (2015). Retrieved April, 2020, from <https://housing.arlingtonva.us/affordable-housing-master-plan/> 44-45.



CURRENT ARLINGTON HOUSING PROGRAMS AND INITIATIVES

The steady loss of existing market-rate affordable housing over the last decade has put extreme pressure on housing affordability, particularly for low- and moderate-income residents. From 2000 to 2013, the County lost 13,500 affordable housing units, mostly due to rent increases.¹⁷

Unlike some jurisdictions, Arlington does not have a public housing authority. Instead, it has an umbrella program, “Housing Arlington,” with a group of initiatives to increase housing opportunities.

These initiatives include land use and zoning tools, financial tools, institutional partnerships, employee housing grants and loans, and a condominium initiative. As of 2015, Arlington County has an Affordable Housing Master Plan, which is a policy framework for addressing Arlington’s housing needs through 2040, with periodic review every five years. The goals of the master plan are adequate supply, access for everyone, and housing that contributes to a sustainable community.

Land use and zoning tools are designed to provide opportunities for housing affordability, such as updating accessory dwelling regulations to encourage new construction, amending zoning to allow more locations for eldercare facilities, providing bonus density to developers in exchange for on-site affordable units or contributions to the Affordable Housing Investment Fund (AHIF)¹⁸—a revolving loan fund—and establishing Housing Conservation Districts, which will preserve existing market-affordable units. Additionally, the financial tools initiative leverages County resources in several

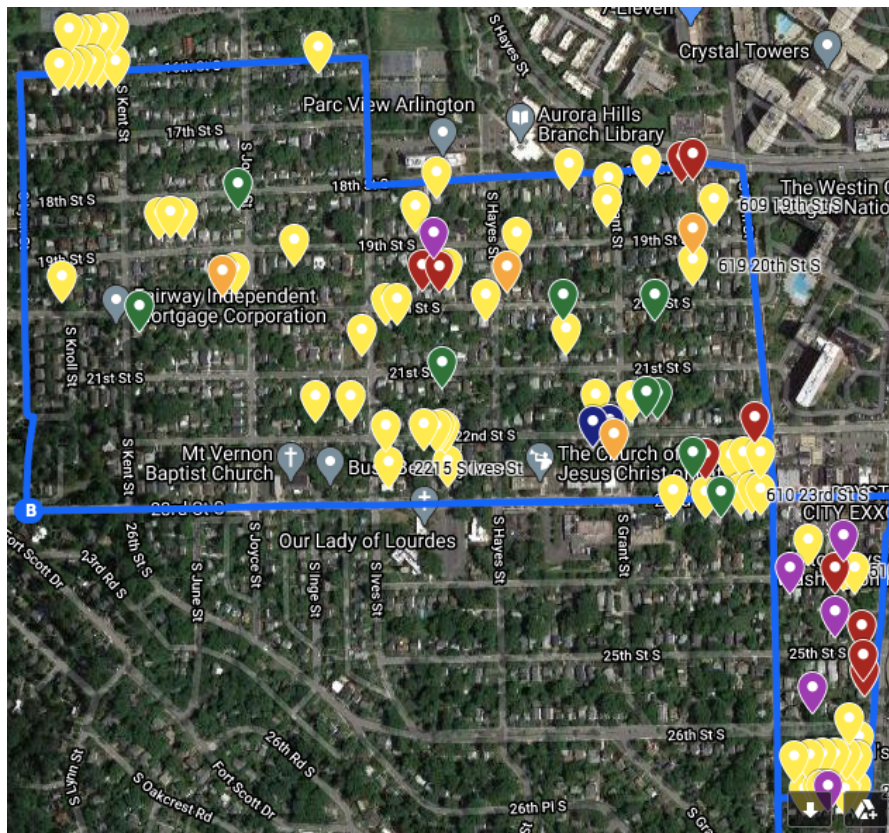
¹⁷ “Affordable Housing Master Plan.” (2015). Retrieved April, 2020, from <https://housing.arlingtonva.us/affordable-housing-master-plan/44-45>

¹⁸ “Arlington’s Affordable Housing Investment Fund.” (2020). Retrieved April, 2020, from <https://apah.org/housing/what-is-affordable-housing/ahif/>.

ways, including providing local funding through the AHIF, HUD Community Development Block Grant (CDBG) funds, and HUD Home Investment Partnerships Program (HOME) funds. The CDBG and HOME funds are limited; Arlington was allocated \$1.41 million in CDBG and \$0.76 million in HOME funds for FY 2020.

The County works with non-profit housing partners, like the Arlington Partnership for Affordable Housing (APAH) and AHC, Inc. to build, renovate, and manage affordable housing throughout Arlington. Affordable housing is income-limited, with subsidies based on percentages of Area Median Income (AMI). For example, 60% of AMI, or \$75,600 per year for a family of four, is the limit to apply for a committed affordable apartment (CAF); and 60% of AMI for a single person is \$52,920 per year. Some affordable apartments are integrated into buildings with market-rate units, such as the Concord Apartments on Crystal Drive. Other affordable units are within a dedicated building, like the new Apex on S. Glebe Road, with a mix of 40% to 80% AMI units, or Claridge House on S. Fern St. with affordable assisted living apartments for the elderly. Arlington also has the Federally-funded Housing Choice Voucher Program (formerly Section 8), and a Moderate Income Purchase Assistance Program (MIPAP).

FIGURE 7: Map of small multifamily homes (2-5 units) and ADUs in a portion of 22202 in the vicinity of 23rd Street.¹⁹



Map of homes with 2-5 units in the vicinity of 23rd St. (Light blue/gray markers are for businesses).

[Yellow Pin]	2 units	68
[Red Pin]	3 units	10
[Green Pin]	4 units	9
[Blue Pin]	5 units	2
[Orange Pin]	Apartments w/in single family homes	4
[Purple Pin]	ADU	6

¹⁹ Map created by Alistair Watson, resident of 22202 and intern for the Livability22202 report.

2. COMMUNITY VALUES AND BARRIERS

Housing is a complex topic and every community member—from a renter in Crystal City, to a “missing middle”²⁰ resident in Aurora Highlands, to a homeowner in Arlington Ridge— brings a different history, understanding, and perspective of the issue to the dialogue. During the first housing workshop of the Livability 22202, the community sought to build consensus amongst this diverse community on both the challenges and shared vision for the future.



Neighbors discussing housing values + barriers at 22202 housing workshop one (January 25, 2020)

Our housing challenges are shaped by the following barriers, as determined by workshop one participants.

Housing Barriers	Description	Quotes from Workshop Participants
1. History	Historical patterns of zoning and exclusionary redlining	<i>“practice of racial/economic barriers” “lack of planning for long-term”</i>
2. Political Will	Need for focus and urgency by our elected and corporate leaders	<i>“lack of a long-term affordability plan” “County does one thing but policies do the opposite” “lack of local government authority” “lack of political will to impose price controls or housing incentives”</i>

²⁰ Missing Middle housing: A range of house-scale buildings with multiple units—compatible in scale and form with detached single-family homes—located in a walkable neighborhood.

3. Market Forces	Growing popularity of our area and dynamics of development industry	<i>“lack of housing stock” “speculation” “lack of new homes” “limited starter owner options” “construction costs” “expansion of property is difficult” “developers want rentals not condos”</i>
4. Policy and Zoning Barriers	Limitations on development of new housing supply and resources to ensure all can afford to live here	<i>“state policies vs County policies” “R5 zoning not north of Lee Highway” “taxes” “no restrictions on rent increases”</i>
5. Coalition	Need for residents of all backgrounds making housing a top priority	<i>“better education” “transient community” “neighbor expectations” “engagement with the renters” “NIMBYs” “aging residents” “lack of community involvement with developers”</i>

Moving forward, the participants found that solutions to housing affordability should promote the following values:

Housing Values	Description	Quotes from Workshop Participants
1. Diversity	Housing must support a diversity of races, classes, ages, abilities, ownership, and housing types	<i>“provide housing for all sectors of the community” “diversity of housing type which allows diversity of people” “variety of housing types in multiple locations” “diversity for all ages, stages of ability” “needs of lower income and middle class” “diverse cultures” “care of people through their whole life cycle”</i>
2. Community	Housing must help build community and integration between our neighbors of all walks of life	<i>“connection and conversation” “friendship” “casual conversations” “community between residents”</i>

<p>3. Livability</p>	<p>Housing must be combined with open space, transportation, essential services (schools/health), and small businesses for responsible neighborhood growth</p>	<p><i>“coordinate with schools”</i> <i>“access public transportation”</i> <i>“access to health/food/retail/necessities”</i> <i>“sustainability”</i> <i>“nature and green space”</i> <i>“access, convenience”</i> <i>“reduce congestion”</i> <i>“public transportation and housing go together”</i></p>
<p>4. Safety</p>	<p>Housing must promote community safety so all can feel comfortable here</p>	<p><i>“safety, convenience”</i> <i>“need to be able to get around”</i></p>
<p>5. Engagement</p>	<p>Housing must ensure voices of residents are respected at the table</p>	<p><i>“we need presentations to elected leaders, JBG, zoning officials”</i> <i>“transparency”</i> <i>“engaged community”</i> <i>“promoting awareness of existing residents”</i> <i>“include renters”</i></p>

3. COMMUNITY SOLUTIONS



Small group discussions on housing solutions in workshop two (March 7, 2020).

With the need for solutions to address present and growing affordability challenges in the neighborhood, the workshops resulted in identifying the following three objectives for 22202's housing needs:

Objective A: Avoiding Displacement

Housing that allows current residents the chance to stay without fear of displacement and to enjoy improved quality of life going forward.

Objective B: New Development of Diverse Housing

Housing that can accommodate historical needs and the projected increase in population over the coming decade.

Objective C: Building Community

Housing that cultivates community among individuals and families of all walks of life, promoting both ownership of homes and a sense of a neighborhood.

To elaborate on these objectives, the following sections of the report outline the solutions developed by the community during its second housing workshop held in March 2020:

OBJECTIVE A: AVOIDING DISPLACEMENT

As new development occurs and population increases over the next decade in 22202, many residents are concerned about the future. Renters, who comprise a majority of the population, are worried that they will be priced out of their homes, or that they will not be able to afford to purchase property in the future. Homeowners who are low-income or elderly on a fixed income worry about increasing costs of living and home maintenance expenses. The goal is to ensure that the renters and homeowners of all backgrounds and income levels, who want to live in 22202 can afford to do so without becoming cost-burdened.

Therefore, the County should consider a series of ideas that reflect priorities from the Livability 22202 housing workshops. These focus on anti-displacement measures, landlord engagement, corporate responsibility, state level policy changes, and raising awareness of the livability challenges for the broader community.

1. Tenant and Homeowner Protection Assistance: Expand and streamline protections for renters and homeowners

Arlington County government should strengthen tenant protections, especially related to preventing evictions, which disproportionately impact people of color and lead to damaged credit records. Arlington renters are in a hot real estate market and landlords—particularly larger corporations and companies—have significantly more power in the housing system. Eviction courts favor the landlords, and tenants often lack adequate legal representation.²¹ Homeowner protections will help low-income owners remain in the area. Those on a fixed income, who may consequently be low-income, are still subject to property taxes. In order to help long-time aging homeowners stay in Arlington, some additional County support could help offset the costs associated with homeownership. In the 2008 recession, thousands of families—particularly low-income

²¹ “Key Studies And Data About How Legal Aid Improves Housing Outcomes,” the Justice in Government Project, July 30, 2019, <https://www.american.edu/spa/jpo/toolkit/upload/housing-7-30-19.pdf>

communities, which are disproportionately communities of color—lost their homes. In today’s pandemic era, it is important to ensure that current low-income homeowners, and homeowners of color can access support and structures to stay in their homes. While revenue remains an important County priority, sometimes a small amount of support can stand between a homeowner and foreclosure, or buyout.

- **Cash Assistance:** The County should increase direct assistance, specifically cash assistance, to help fill short-term housing gaps and prevent the likelihood of evictions, especially among the most vulnerable, severely cost-burdened neighbors. This could be accomplished in part by expanding the Arlington Housing Choice Voucher (ACHCV), which are currently unavailable to many different groups whose housing needs are not being addressed because the funding for the vouchers is limited.
- **Tenant Rights:** The County Code protects renters who belong to tenant associations from retaliation by their landlords. The Virginia General Assembly also passed a number of new protections including Source of Income protection, sexual orientation/gender identity, and others during a recent session, taking effect in July 2020. While these steps are commendable, Arlington County should consider expanding financial assistance to nonprofits to assist with tenant organizing, particularly in areas that are under-served by current resources. The County should also pass a tenant bill of rights that expands on current protections, within its legal authority. An example for an expanded tenant’s right would be to create a Rental Housing Assistance Unit to keep renters apprised of their rights and to establish concrete enforcement mechanisms to ensure that those rights are protected by landlords. The County’s current Tenant-Landlord Commission provides a useful forum for discussion of related issues, but is restricted in its limited enforcement powers. Another example is to require landlords to inform tenants about deficiencies or citations issued regarding their properties in the past three years. In Washington, DC, the amount of a security deposit may not exceed one month’s rent; Arlington’s policy is two month’s rent.²²
- **Establish a Right to Counsel:** Tenants are much more likely to win or have a chance of fighting eviction notices with adequate representation in court. Cities across the country, notably New York City and Philadelphia, are investing in tenant right to counsel that ensures free legal representation for those facing eviction.
- **Reduce Costs for Low-Income Homeowners:** The County should assist vulnerable homeowners who may face pressures due to tax liabilities from rising real estate values, such as by increasing resources for helping maintain code compliance and expanding support for utility payments.
- **Expand Assistance for Seniors and Disabled Homeowners:** Some communities provide financial assistance to vulnerable homeowners, such as reducing property tax rates for low-income homeowners over sixty-five. This could be partially accomplished by expanding the County’s Real Estate Tax Relief Program for seniors and disabled residents, with focus on areas

²² State Government, VA. “Virginia Statement of Tenant Rights and Responsibilities,” n.d. <https://www.dhcd.virginia.gov/sites/default/files/Docx/landlord-tenant/statement-of-tenant-rights-and-responsibilities-english.pdf>.

facing projected dramatic rise in future property values such as areas surrounding the Amazon HQ2 site in 22202.²³

2. Incentivize Landlord Responsibility: Promote short-term rental affordability in 22202 by encouraging developer responsibility through reputational pressure, zoning incentives, and tax/regulatory incentives as needed.

Growth in rental housing demand, without affordability protections or a dramatic expansion of housing supply, is expected to increase rental rates in 22202 over the next decade. Both increased demand and costly maintenance upgrades, some in the works for a while and others ramped up in anticipation of new jobs coming to the area, are already beginning to increase rents above inflation. In the short-term, without a state-authorized rent stabilization policy, Arlington County should collaborate with developers, property owners, and property managers to ensure current rental residents have the opportunity to stay in 22202. Arlington County should consider the following suggestions:

- **Corporate Citizenship:** Ensure that developers, property owners, and property managers understand the economic necessities of affordable and workforce housing in 22202, and recognize their roles and reputations as stakeholders in the broader community by preventing rent gouging and minimizing displacement of existing residents. Furthermore, rental affordability is essential to ensuring Arlington and the broader region has access to the diverse workforce it needs. As stated in the Business Roundtable’s recent revisions to the Purpose of the Corporation, corporation’s primary responsibility should be service to their customers, employees, suppliers, communities, and shareholders.²⁴ For landowners and property managers, including those in 22202, that purpose should extend to responsibility to the renters that rely on their housing to meet the basic need for shelter. Consumers, government, and community actors should hold them to this higher standard.
- **Zoning Incentives:** Encourage preservation of rental affordability at existing properties through negotiations for added bonus density, streamlined regulations, or approvals of zoning changes, in exchange for guaranteed rental affordability of designated units for at least 75 years. This strategy, has recent precedent in 22202, with 70 new committed affordable units (but with 30 year term), established in RiverHouse by JBG as community benefits in exchange for bonus density and an expedited site plan process on another parcel of property at 1900 Crystal Drive. The preservation of on-site rental affordability should continue in future negotiations with property developers.
- **Tax and Regulatory Incentives:** Arlington County and the Commonwealth of Virginia should explore establishing a framework for providing tax abatements and/or exemptions of other tax or regulatory liabilities for specific properties in exchange for guaranteed rental affordability of designated units for at least 75 years. Policy parameters should be developed to ensure that

²³ “Real Estate Tax Relief Program.” Accessed August 16, 2020. <https://topics.arlingtonva.us/realestate/taxes-payments/real-estate-tax-relief/>.

²⁴ “Business Roundtable Redefines the Purpose of a Corporation to Promote 'An Economy That Serves All Americans'.” Accessed August 16, 2020. <https://www.businessroundtable.org/business-roundtable-redefines-the-purpose-of-a-corporation-to-promote-an-economy-that-serves-all-americans>.

negotiations do not substantially impact County tax revenues and that any regulatory waivers do not cause damaging unintended consequences for renters and the broader community.

3. Explore Virginia Policies: Advance long-term changes that encourage rental affordability by examining Virginia policy changes that will provide Arlington County the tools to limit displacement and encourage rental affordability.

The policy and regulatory powers of Arlington County are limited compared to other jurisdictions in the region, most notably Washington, D.C. To further limit displacement in Northern Virginia and 22202 specifically, the following Virginia policy options should be explored, deepened, and advocated for, including for inclusion within Arlington County's State legislative package that is ratified before each State legislative session by the County Board. The Commonwealth of Virginia should consider the following:

- **Rent Stabilization:** Allow Arlington County to establish a rent stabilization policy that caps allowable rent increases per year at or near inflation. Rather than a uniform statewide policy, a targeted policy should emphasize high-cost areas such as Northern Virginia. Furthermore, the policy should be time-bound, with a process for extension, to allow appropriate development of new housing supply and affordability reforms to catch up to market pressures. The policy's definitions should ensure that current rental buildings located in 22202 are covered by such a measure to preserve rental affordability for long-term residents who rent.
- **Inclusionary Zoning:** Permit Arlington County to bolster the Affordable Housing Ordinance to spur more on-site affordable units in new developments or buildings with major renovations through an "inclusionary zoning" policy. Currently, inclusionary zoning is optional in Arlington, as developers are required to provide on-site committed affordable units (CAFs) for low and moderate-income residents, or a contribution to AHIF, *only* if they are requesting an increase in allowable density for new developments as part of a site plan. A mandatory inclusionary zoning policy, similar to the one in D.C, would require CAFs in *all new construction projects* above a certain number of units and in buildings undergoing *major rehabilitation projects*, regardless of the triggering of a site plan process. This would directly establish a greater number of CAFs in 22202, encouraging mixed-income units in both new residential buildings expected to be developed in the neighborhood over the next decade, and in existing buildings undergoing major renovations.
- **Tenant Opportunity to Purchase:** Establish a new tenant purchase policy, modeled after D.C.'s Tenant Opportunity to Purchase Act (TOPA). When multiple-unit buildings are put up for sale, current tenants would have the "first right of refusal" to purchase the building themselves as a collective unit or assign their rights to a nonprofit developer who can assist with the acquisition and management of the property. An additional grant pool should be established to assist nonprofit housing organizations to assist in both property acquisition and tenant organizing for such transactions. The legislation should be structured to balance the interests of both tenants and landowners, while providing an innovative solution that can reduce displacement due to change in property ownership.
- **Expanded Funding from Commonwealth of VA:** Expand its contributions in affordable housing programs generally, as well as specifically the Virginia Housing Trust Fund. Northern Virginia and Arlington should be prioritized due to high land costs and expected rent pressures.

These funds will complement the AHIF and support both the preservation and development of new affordable housing options in 22202.

4. Raise Awareness of Displacement Risks: Build understanding and support from neighbors on the importance of housing affordability.

The County and its trusted partners must continue to communicate and engage about the affordability crisis and its future magnitude, while helping build the coalition of those involved.

A community coalition of citizens and organizations is necessary to make a difference on housing affordability issues. Livability 22202 initiative Housing Affordability Workshops demonstrated how powerful combining data and real stories from neighbors is for raising awareness.

- **Popular Education:** Arlington County could create a popular education module in partnership with local housing advocacy organizations to help increase awareness of various scenarios that may lead to homeownership loss or eviction.
- **County Support:** The County could provide financial support for a targeted narrative campaign about the importance of racial and socio-economic diversity in these communities, in terms of workforce and culture, highlighting statistics about what drives the local economy.
- **Celebrate Diversity:** Arlington County could host a year-long arts project for high school, community college, and university students as well as local artisans and makers to create murals and sculptures that celebrate the mixed heritage and history, and the value of diversity in the community.

OBJECTIVE B: NEW DEVELOPMENT OF DIVERSE HOUSING

New Production of Affordable Housing

The 22202 area contains some affordable housing, though it is not sufficient to meet current needs and long term trends may threaten its existence. Some examples include market-rate affordable units at Aurora Hills Apartments on 2701 S. Fern St., HUD-subsidized assisted senior living at Claridge House on 1500 S Fern St, a mix of units affordable to 40 to 80% of AMI in the new Apex on S. Glebe Road, and other “committed affordable” units (CAFs) integrated within older and newer high-rise buildings. However, like the rest of Arlington, 22202 lacks the amount needed to support the local workforce, including public school employees, County staff, hotel and retail workers, taxi and ride-share drivers, childcare workers, and many others who depend on housing support, whether through committed affordable units, MARKs, or other programs, such as Arlington’s housing choice vouchers.

CAFs have a term, generally 30 years, during which the rent is affordable to those earning 60% (or less) of the Area Median Income (AMI), which varies depending on household size. The supply of market-rate affordable housing—buildings 20 years or older with few amenities—has rapidly declined in Arlington overall, and in 22202 as well due to the profitability of improvement or redevelopment. While it will be challenging to increase the affordable housing supply in the area because of high land costs, there are specific supported proposals, as follows:

1. Community Partnerships: *Increase partnerships between affordable housing and community partners, often referred to as “co-location”.*

Community partners are organizations supporting, or with ties to, those needing services, whether disabled, elderly, English-language learners, family-oriented, homeless, ethnic groups, interfaith, or combinations of these. Partners are aware of their specific needs for subsidized housing, as well as other services such as healthcare, nutrition, childcare or tutoring. Community partners may also own or acquire property on which housing can be built.

- Increase outreach to existing organizations and networks to find new ones.
- As part of a community-led process, consider possible sites for a community or group house to serve traditional housing needs, such as those provided through Doorways for Women and Families.

2. Expand Affordable Production Funding: *Increase both County and developer contributions to the County Affordable Housing Investment Fund (AHIF).*

AHIF is a revolving loan fund maintained by Arlington County. The County Board can approve loans to nonprofit developers to buy land and build or renovate housing. Increasing contributions to AHIF to purchase land and buildings, or convert existing buildings, such as 70 new CAF units within RiverHouse, can increase affordable housing stock. The Crystal Houses redevelopment project approved in 2019 included a site donation for a future 81 units of committed affordable housing. While this approach is limited by available sites in 22202 and the cost of land, future funding could be provided through a County bond referendum. As of 2019, each AHIF dollar leveraged a minimum of seven dollars of funding from other sources, typically lenders and developers.

- The County should advocate for the economic and environmental benefit that AHIF funding provides by enabling affordable housing within high-cost areas. Lower-income workers, including public employees, can live closer to jobs and have shorter commutes.
- Properties owned by non-profit organizations, or publicly owned property, may also be valuable housing locations. Churches or other non-profits may have lightly used lands, including surface parking which could be used for housing, with necessary parking built below grade. However, churches often have important historic and cultural functions, so should not be de-facto choices for this purpose. Communities should have ample opportunity to debate these uses.
- There are benefits and drawbacks to allowing developers to “cash out,” such as contributing to AHIF instead of providing units within a new development. Transit accessible luxury apartments generally cannot provide many units as the cost will burden the market-rate units, and the same dollar subsidy may provide more units in another location. Within 22202, this is a disadvantage for inclusivity goals. For example, seniors and people with disabilities living in AHIF-funded sites outside major transit corridors may face accessibility barriers not faced if they lived in units within site plan developments, especially if they cannot utilize cars.

3. Zoning Changes for Affordable Housing Production: *Complete, increase, and/or allow zoning changes to increase affordable housing.*

Existing zoning often works against affordable housing, by limiting what can be built to a narrow set of options that, due to cost, inhibit diversity in who can occupy the area. Changing zoning to allow for housing forms like group homes or co-housing, with shared common spaces, increases options. For example, given that a growing proportion of residents are elderly, zoning should allow more options for their housing needs. The county or developers should:

- Buy existing properties and convert them to affordable units, or a mix of market and affordable. Consider areas served by bus, like the Apex on S. Glebe Rd.
- Identify a decision process, developed with community input, so Arlington County can move more quickly when opportunities present themselves. This would allow the community to have input, as opposed to a “shopping list” of properties.
- Make it easier to transfer development rights (TDR), a process in which a landowner may take the land value of “by-right” development and transfer it to apply in another location. For example, transferring a right to build luxury townhomes on an older property—whose loss to redevelopment would be significant—to another location, so the existing market-affordable housing can be preserved.
- Increase options for multifamily dwellings that may be affordable, such as group homes or co-housing.

New Production of Market-Rate Housing

Solutions for adding market-rate housing require thoughtful analysis of existing land use, planned land use, and County regulations, while understanding current market conditions. The 22202 area has significant potential for adding both rental and for-sale housing of different kinds. This may range from high-density rental units, or a condominium complex near transit, to smaller scale housing such as stacked flats, to small multifamily like duplex/triplex/fourplex, to ADUs on existing single-family lots. For example, the RiverHouse property on S. Joyce St., close to Metro, is currently planned to have both new high-density apartments with ground retail, and lower-density stacked flats developed on land that is primarily surface parking. Small multifamily development by local property owners and builders may have less impact on older neighborhoods and occur more organically.

Existing multi-family buildings within single-family neighborhoods, built before 1960s single-family zoning, are currently providing options for rental. An updated area plan for 22202 could include new for-sale duplex and triplex housing in compatible ways, adding options for downsizing seniors as well as younger purchasers or renters. Area demographics trend toward smaller households. A variety of housing forms improves choices for all ages and incomes, and helps with diversity of residents, in line with community housing values. The following proposals support these ideas:

- 1. Develop Effectively Based on Location: *Expand retail/commercial corridors, create Main Street corridors, such as 23rd St., Eads St., and S. Glebe Rd. along Four Mile Run, and promote transit-oriented development.***

Logical spines that connect ‘nodes’ or activity centers, like retail, libraries, or Metro are important. With increased density there is scope for other kinds of transportation, such as light electric vehicles (LEVs) or circulators, which can reduce car traffic and knit together neighborhoods of different kinds.

Walkable retail is an important complement to housing. Veterinary services, daycare, opticians, local hardware, cycle repair, eateries, and similar services promote livability. Adding certain types of retail in single-family neighborhoods requires community acceptance. It is important to have a community discussion on how to permit additional retail while avoiding impacts from opportunistic uses.

The county should:

- Invite an operator/manufacturer of light electric vehicles (LEVs) or circulators to talk to the community about what is needed for a service to be successful.
- Develop a follow-on community workshop with more hands-on planning opportunities; invite a professional planner; possibly include a geo-design specialist.
- Consider the ratio of commercial to residential and promote multi-use development with a mix of both commercial and residential, such as Pentagon Row.

2. Develop with Character in Mind: *Zone for more density while maintaining character and continuity to the extent possible.*

The county should envision attractive mixed-use streetscapes from other locations; aesthetically pleasing development may help with acceptance of change. Additional considerations include traffic and transit routes, so development should be done in the context of an area plan. Varied forms of housing can increase diversity both of stock and who lives in the housing. The county should:

- Advocate within the community concerning opportunities for development and educate about existing land use and zoning restrictions.
- Develop a follow-on community workshop with more hands-on planning opportunities; invite a professional planner who could partner with a local builder to show pattern books or examples of different styles of housing. Consider styles with shared space like courtyards, mews, accessory dwelling units (ADU), and alleys.
- Use geo-design modeling to help residents visualize new forms and creative approaches. While ADUs alone are unlikely to add much housing capacity within 22202, they offer one way to support aging-in-place for some residents, as well as adding needed rental housing.

3. Amend Zoning to Broaden Single-family Areas: *Define a maximum size and allow development within that, and incentivize a mix of sizes and units. Upzone some R5/R6 properties in accordance with a small area plan.*

Less restrictive zoning can allow more alternatives/opportunities for new owners and renters. Small multifamily units may allow some seniors to sell a larger house and downsize, while remaining in a familiar neighborhood with social support and services. New duplex or triplex forms can be more affordable for younger families with children. Such compatible small multifamily housing can fit well in existing single-family-zoned neighborhoods. Group homes may appeal to seniors, in contrast to large assisted living facilities. The county should:

- Incentivize and develop a model block or half-block strategy demonstration where compatible duplex/triplex/fourplex structures could be built to illustrate the possibilities for housing inclusion.
- Review non-compliant multifamily buildings in single-family zoned blocks. This is valuable housing capacity that already exists. Incentivize official re-zoning for those properties to continue as multifamily, if redeveloped, as part of an area plan.

4. Upzone Underutilized Sites: Consider fallow or underused sites like parking lots or large garages.

Valuable land with limited use is not available to the community for other important purposes, such as schools, housing, and open space.

- Perform a review to assess existing parking lots, such as the Pentagon parking south of I-395 and the bus parking and maintenance along S. Eads Street²⁵. Given the difficulty and lengthy processes of acquiring Federal property or needed transportation storage, all land use should be periodically re-evaluated. Storage or other light industrial sites (along Eads and Long Bridge Drive) should similarly be considered for redevelopment, either for housing or other public use.

5. Modify or Relax Minimum Parking Standards: *Reduce requirement for off-street parking spaces.*

Reducing and/or undergrounding parking can add housing capacity in low-density areas as well as high-density. Parking space is expensive to build and maintain, and often encourages unnecessary driving. Further, impervious paving adds to storm water runoff and heat island effects, and reduces green space.

- “Right-sizing” parking to serve needs without excess is a vital part of area planning. Identify design and planning methods that discourage unnecessary construction of parking while maintaining the true needs of current residents.

OBJECTIVE C: BUILDING COMMUNITY

This neighborhood, by some definitions, has been growing for over 130 years, though much development occurred in the most recent decades. Residents have varying levels of community involvement and sense of place, including differences among owners and renters, housing type, longevity, and location. Housing policy must be used to provide every resident of 22202 an equitable sense of ownership over their community.

In 22202, there is a communal spirit ready to engage as change is on the horizon, but it needs nurturing. Some residents worry additional development will deprive them of knowing their neighbors and feeling safe on an evening walk. Others feel excluded from current community structures that lack a fully welcoming attitude and hope that change will create more openings for broader neighborhood engagement. The consensus is to steer change towards an environment where relationship building among neighbors is not only maintained, but strengthened.

²⁵ Disadvantaged, primarily African American, residents lost their homes abruptly in 1941 to create parking for the Pentagon. Reclaiming a parking lot for housing to include affordable units would be a positive land-use goal.

1. Foster Community Integration: Use County Institutions to Foster A Cross-22202 Planning Culture.

The 22202 area should be provided mechanisms for formal and informal communities by establishing institutions that cross-connect housing and related policies across the neighborhood and all of Arlington County.

- **County Leadership engagement:** Arlington County, working with the Civic Federation, relevant commissions and neighborhood representatives, should move to unify an approach to planning, housing and community development processes across all three Civic Associations in the 22202 ZIP Code, including roles for the Crystal City Citizens Review Council and integration of the National Landing Business Improvement District (BID), which was expanded officially July 1, in late April 2020. This would allow for unity of effort in the coordination and planning of policies, projects and joint events with the BID for event planning, promotion, and location selection.
- **Integration of Community Input into Site Planning Process:** Establish "Community Building" considerations as part of the Arlington County Board & Planning Commission Site Plan Review process. New housing developed under this process should be evaluated for opportunities to build community through fully shared public gathering spaces, safety, walkability, and potential for blurring the intersection of public/private domains (such as sufficiently sized balconies, porches, or stoops). This regulatory instrument would serve to bring developers, property management companies, County staff and leaders, review commissions, community members and other planning stakeholders to prioritize community-building enhancements and features to provide in conjunction with existing or future development in 22202.
- **The 22202 Community Model Approach for the County:** The Arlington County Board, through provision of resources, should boost the 22202 ZIP code as a vanguard or model of a livable and engaged community, so that lessons learned can be used for other parts of the County and beyond. As outlined in November 2019 by the 22202 Livability Action Plan, this approach builds upon the long-standing tradition of the "Arlington Way," whereby the County and its residents often engage deeply in the issues affecting their neighborhoods. This effort can move forward by ensuring there is participation from all residents that may be underrepresented in the County planning process, such as renters or low-income residents. This can be done through non-traditional forms of engagement or through the active piloting of different programs. Furthermore, it is important to include residents from different backgrounds through different mediums of community engagement, both physically through County-sponsored programming as well as through online neighborhood virtual community events (virtual meetup discussions, forums, etc.), and passing out fliers or posting them in accessible community locations such as libraries and grocery stores. This outreach should be culturally and linguistically appropriate. The County could pilot this type of programming in 22202 as a model for other neighborhoods.

2. Building Community Through Physical and Digital Platforms: Creating both physical and digital spaces for community building, including a full-scope community center

Fostering a sense of community and uniting different types of residents requires spaces where people can formally and informally congregate and get to know each other. Housing policy should incorporate enhancing spaces that exist while filling in the gaps. Social media, email, and electronic forums can be used for both formal and informal information sharing, but not everyone has access to the internet, and not everyone may feel comfortable using it. The approach to building community must be as varied as the 22202 population.

- **Incorporate community centers, schools and neighborhood libraries into housing as powerful gathering hubs.** They must be Americans with Disabilities Act (ADA) compliant and have open hours with available staffing. Currently, 22202 lacks a comprehensive community center that can serve the broad range of the population, from seniors to young adults to children. A full scope neighborhood community center, centrally located for those who would utilize it most, could provide a central gathering place for programming, meetings, physical activity, and social groups.
- **Add dog parks and playgrounds in the 22202 area to promote community gathering spaces.** Outdoor space is a limited commodity in this area and multi-use parks incorporated into development projects are a growing trend across the country. The County should look at options to traditional dog parks and be flexible with rules and specifications. A creative solution might be a multi-use park with set-aside hours for pets that also creates safety for pedestrians. Similarly, public art can also intersect with play spaces for children. These concepts should be considered in potential site plans.
- **County staff and leaders should expand creative approaches to outreach.** Specifically, enhanced outreach should focus on connecting less engaged residents, including renters, to county information in order to foster more inclusive engagement, even for residents who may be here for shorter periods of time. Possible approaches could include creating new community owned bulletin boards in neighborhoods, providing more information about projects through on-site displays, holding pop-up engagement sessions and providing financial resources for civic associations to enhance their communications distribution. The county could also develop a cheat sheet of County websites and descriptions and distribute it to both current and new residents.

3. Better Integrate Renters into the Community: Developing policies and processes to better include renters in the community, particularly addressing barriers to information sharing with residents of high-rises.

There are many physical and policy barriers that make it harder for renters to engage in community processes and society, heightening a sense of divide, both in knowledge and sense of place, between renters and owners. This gap results in civic engagement primarily consisting of owners, when renters are often unaware of engagement opportunities or feel unwelcome. Therefore, existing civic engagement does not fully represent the span of views in 22202 neighborhoods. Rental management companies should adopt practices that encourage tenant knowledge and engagement. County leaders should consider requiring these practices in site-plan conditions.

- **Require Rental Building Managers to Allow Renter Engagement Opportunities.** Currently, management companies and staff serve as gatekeepers to information being provided by the county and neighborhood groups, and many do not make those communications processes easy. Management companies, with county encouragement, should allow for more opportunities for information about neighborhood engagement to be shared with their residents, both digitally and physically. For new development of residential units, this should be a requirement in the site plan.
- **Take Advantage of Events.** Most apartments have residential programming year round, from holiday parties, July 4th parties, food truck days, and other events. Community entities, including county representatives, nonprofits, civic associations and other neighborhood entities, can collaborate with property managers to be included in social programming, the civic associations can educate residents in informal social settings by handing out flyers and having a representative speak about ongoing and future projects. The County and building managers should also consider partnering with the National Landing BID to both build out digital information to be made accessible to all residents and potentially host pop-up events like virtual meeting rooms with a HUD expert/civic association leader featuring question and answer sessions.
- **Have Standard Civic Information in Welcome Packets** - Many rental and condo buildings have welcome packets or otherwise share information in digital and physical platforms, such as front desks or elevator notice boards. Building and unit managers should distribute information, in partnership with County and neighborhood representatives, which highlights:
 1. Civic Associations
 2. Upcoming County and private projects in the neighborhood
 3. Social engagement opportunities
 4. Local volunteer opportunities
 5. Civic engagement programs like the Arlington Neighborhood College
 6. Arlington County resource information
- **Managers should have a community ambassador in each apartment complex.** This person could, for example, have a WhatsApp group or GroupMe chat group with bi-monthly updates. They could be a staff member or someone living in the building. Expanding social media influence to Instagram can engage residents as a way to share information, such as through the art of storytelling, showcasing the history of Arlington, changes in Crystal City, fun facts about National Landing as development moves forward, and resources available to Arlington residents.
- **Support for at-risk renters.** Disconnect from community resources can lead to renters to lack support for their needs. Management companies and the county should facilitate outreach to the Commission on Aging, Disability Advisory Commission and similar supports to reach out to renters and civic associations resources to support social and housing needs.

4. CONCLUSION

As our area anticipates dramatic transformation over the coming decades, many residents are concerned about the future.

While the coming changes spark concern, change also presents a tremendous opportunity. Livability 22202 has shown the power of what is possible when the community comes together to proactively solve big challenges. We must work to avoid displacement of our existing neighbors by creating and promoting tenant and homeowner protections, encouraging developers and landowners to protect the residents in their care, and advocating for new state policy changes that can more effectively ensure affordability. We must help create new housing for our neighbors, old and new, by ensuring we make budgetary, zoning, and local commitments to building both affordable and market-rate housing to accommodate the rise in population. We must ensure that all residents, especially those who are historically excluded, feel welcome and are proactively empowered and included in decisions about our neighborhood's future.

To make housing a priority and advance real action, we must use this moment to forge new collaboration between residents, local and state government leaders and staff, developers and landlords, civic associations, and wider community partners. Furthermore, wider County changes that impact other areas will be needed, which will require working together with residents, civic associations, and partners from around the County for our shared goals. Finally, while we must not abdicate our local responsibility, housing markets are regional, and thus our regional leaders must continue working together to ensure we preserve and produce enough housing to meet our needs.

Livability 22202 Housing Report Working Group

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Members as of September 2020

AH: Aurora Highlands / AR: Arlington Ridge / CC: Crystal City

5. ACKNOWLEDGEMENTS

Housing is a complicated issue impacted by many factors and will be essential to our neighborhood's future with the coming changes over the next decades. The Livability 22202 Housing Working Group would like to thank the countless individuals and organizations that have provided hundreds of volunteer hours so far to make this publication and advocacy possible on this important issue. We would particularly like to thank the following (in no particular order):

- Residents of 22202, and particularly the 80+ workshop attendees across the two sessions and many other residents engaged as part of following civic association virtual feedback sessions, for providing their empathetic understanding of their neighbors' living situations, for offering bold, innovative, and pragmatic solutions to our area's housing challenges, and for their openness to taking action to make housing a long-term community priority. We look forward to working together with you to build support

in our neighborhood and to advocate to make these community-driven ideas a priority for our public and private decision-makers.

- The Civic Association Presidents Arthur Fox (ARCA), Carol Fuller (CCCA), and Scott Miles (AHCA), as well as Livability 22202 organizer Mike Dowell, for their support of the establishment of this working group, guidance throughout the process, and providing feedback on the report before publishing.
- Michelle Winters of the Alliance for Housing Solutions for providing instrumental early guidance to the working group on the housing challenges and solutions in Arlington, presenting to workshop attendees at both sessions, and providing ongoing support of the community-driven solutions.
- Ann, David, Jane, Judy, and Robin for bravely sharing the personal stories of their housing situations and challenges with the attendees of Workshop 1, helping our residents build a shared awareness of the stakes and opportunities of this challenge.
- Brian Harner and Leo Sarli of Laboratory for Architecture and Building (LAB) for providing essential research, visualization, and project management assistance to support this community-driven workshop.
- Karl VanNewkirk (Arlington Historical Society), Kathleen McSweeney (Fmr Member Arlington Housing Commission), Andy VanHorn (JBG Smith), Dave Leibson (Fmr Chair of Arlington Housing Commission), and Matt Mattauszek (Master Planner with Arlington County) for sharing their perspectives on the past, present, and future of housing in Arlington as presenters and panelists. Special thanks to Kathleen for moderating the current ecosystem of solutions panel in Workshop 2.
- Arlington County Aurora Hills Community Center and Calvary United Methodist Church for generously providing their space at low-cost for our workshops.
- Various local property managers, as well as the National Landing Business Improvement District and JBG Smith, for helping promote the event to area residents, particularly harder-to-reach populations such as renters. Special thanks to the NLBID and JBG Smith for supporting a renters' outreach event held before the workshops, led by the CCCA, to expand renter engagement in the workshops and future advocacy.

Addressing our neighborhood's shared housing challenges will require all of us to work together to find alignment in our common housing values and to encourage our public and private decision-makers to prioritize the housing solutions proposed in this report. We look forward to continuing to work with our partners, old and new, across backgrounds, sectors, and constituencies to help make our neighborhood one where all can afford to live here and can participate in our neighborhood's coming growth.

6. APPENDIX A: DEFINITIONS

Affordable Housing

In Arlington, housing is considered affordable when rent or mortgage, plus utilities, is no more than 30% of a household's gross income. In a few programs, the percentage may be up to 40%.

Affordable Housing Investment Fund (AHIF)

A revolving loan fund, it is the County's main financing program for affordable housing development. In conjunction with the Affordable Housing Ordinance, this revolving loan fund

provides incentives for developers through low-interest loans for new construction, acquisition and rehabilitation of affordable housing.

Area Median Income

AMI is developed annually by HUD for individuals and for a family of four. Also known as Median Family Income. Income levels are calculated as fractions of the median income. Currently (FY2020) \$88,200 for an individual and \$126,000 for a family of four. 60% of AMI is the cut-off for CAF subsidy; i.e., a single person earning \$52,920 or less can qualify for CAF housing. Subsidized units may also be available to those earning 80% of AMI; often listed as market-affordable. A single project may sometimes include CAFs, MARKs, and some market rate units. Arlington is included in the DC Metro region and the income levels are shown below.

Median Family Income for Washington-Arlington-Alexandria, DC-VA-MD			
FY2020 Median Family Income (MFI) for 4-person family \$126,000			
Family Size	Extremely Low Income, 30% of MFI	Very Low Income, 50% of MFI	Low-Income, 80% of MFI
1 Person	\$26,500	\$44,100	\$55,750
2 Person	\$30,250	\$50,400	\$63,700
3 Person	\$34,050	\$56,700	\$71,650
4 Person	\$37,800	\$63,000	\$79,600
5 Person	\$40,850	\$68,050	\$86,000
6 Person	\$43,850	\$73,100	\$92,350
7 Person	\$46,900	\$78,150	\$98,750
8 Person	\$49,900	\$83,200	\$105,100

Source: <https://www.huduser.gov/portal/datasets/il/il20/Section8-IncomeLimits-FY20.pdf>

Arlington County Housing Choice Voucher Program (ACHCV)

A HUD program (formerly Section 8), administered locally, which subsidizes housing for qualifying renters by contracting with property owners, whose housing must meet certain quality standards, to pay the owner directly on behalf of the voucher holder. The voucher holder pays the difference between the actual rent charged by the owner and the amount subsidized by the program.

Bonus Density

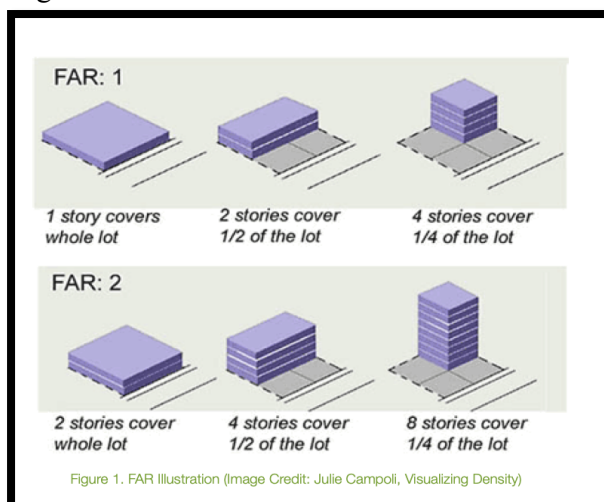
This is additional (more than allowed by zoning) density a developer may request if they anticipate it will be profitable to build that additional space. Density must (and should) be supported by county resources like utility infrastructure (water, sewer, fiber), streets, lighting, public safety, emergency services, parks and community facilities like libraries and fire stations. Additional density generally produces additional tax revenue, especially if it's commercial, so this a cost-benefit proposition. In exchange for being allowed to build more density, developers will agree to contribute to county-requested needs, which may include utility-undergrounding, affordable housing, water and sewer, street or bike-lane construction, or other items benefiting "the community". Developers have long-term investment risks, as do jurisdictions. However, it is generally true that urban investment creates revenue which broadly supports many services residents in low-density areas need and expect, including schools and high-per-capita-cost services in single-family areas.

Committed Affordable Unit (CAF)

CAFs are rental units that are built—or converted from existing units—by private and non-profit developers with a subsidy from the federal, state and/or local government. These units are covered by legally binding agreements with a public agency that requires that they remain affordable to low- and moderate-income households for a specified period of time. Only households within specified income limits are allowed to rent CAFs. The County monitors compliance with these regulations.

Density and Floor Area Ratio (FAR)

Density is one way to describe how much building space is allowed to be constructed on a specific parcel of land. Lowest-density describes single-family-zoned neighborhoods where lots may run from 5,000-10,000 square feet, with typically only one dwelling per lot. Medium/high or High-density describes land parcels where multi-unit buildings (residential, office, or mixed) are built, so buildings may be 60-100 ft. tall, or as tall as 300 ft. Density is typically described by floor area ratio (FAR), which is the buildable area of the land parcel divided by the total floor area of the building. A diagram illustrates how this works:



Dillon Rule

The Commonwealth of Virginia follows the Dillon Rule (adopted in 1896),²⁶ as opposed to home-rule, which means that local governments (like Arlington's) have limited authority and can pass ordinances only in areas where the General Assembly has granted clear authority. The state legislature has defined in law which authorities have been granted to all jurisdictions in a particular category, such as the right to implement a meals tax, regulate noise, or set local property tax rates, but most delegated authority is specific to the city or county. For example, the General Assembly had to pass a law to allow Arlington to hire an independent auditor as a county employee; a separate law was required to allow Arlington to ban smoking at Lubber Run Amphitheater.

General Land Use Plan (GLUP)

Arlington's GLUP specifies categories of land use like commercial, public, and residential (different densities) and maps them²⁷. Some are mixed-use. Different kinds of zoning exist within the general land use designation. The GLUP can be revised with County Board approval, but it involves multiple steps, public input, and considerable time.

Housing construction costs

The total development costs may be divided into "hard costs" and "soft costs":

- Hard costs include materials and labor, including the structure, site, landscaping, overhead like permits and insurance, and contingency fees (unforeseen conditions).
- Soft costs include architectural and design fees, inspection fees, land and real estate costs, construction equipment and rentals, loan interest and accounting fees, project management, construction insurance, local and state taxes, marketing, and community engagement.

New subsidized housing construction (dedicated CAF), based on some recent projects, averaged \$474,000/unit, with an AHIF subsidy of \$90,000/unit. These particular projects had federal and state requirements, for tax credit eligibility, to have higher building standards and better amenities, extending their useful life. By comparison, the rough cost to build larger high-rise residential buildings (metal studs, concrete floors) may run \$500,000/unit. Underground parking construction cost runs \$40,000 per space, so limiting parking is a factor for both.

Market Affordable Unit (MARK)

MARKs have market rents that are affordable to low- and moderate-income households by virtue of the age, location, condition and/or amenities of the property. These units are not regulated by the County or any other public agency, so there is no assurance that lower-income households live in these lower-rent housing units. In addition, there is no guarantee that these homes will remain affordable to lower-income households.

Missing Middle Housing

Describes a variety of housing types which allow for more density, common in the U.S. before the 1940s, such as row houses, duplexes, triplexes, stacked flats and bungalow courts. After WWII, as car-oriented suburban developments and single-family zoning became the trend, these smaller, mid-size housing types could no longer be built. As younger people have shifted towards driving less, and

²⁶ "Dillon's Rule." Accessed August 16, 2020. <http://578125292684560794.weebly.com/dillons-rule.html>.

²⁷ "GLUP." Accessed August 16, 2020. <https://projects.arlingtonva.us/plans-studies/general-land-use-plan/>

choosing more walkable, urban lifestyles, along with older people who want to downsize in walkable neighborhoods, demand for these “missing” housing types has increased.

Single-family Zoning

A residential zoning category meaning only a one-family dwelling can be built on the lot. In Arlington, this category is designated more specifically by standard lot sizes (6,000 sq. ft. for R-6) and maximum building footprint coverage, with smaller lots allowing a larger percentage of coverage; lots are sometimes non-standard sizes. Single-family residential includes R-5, R-6, R-8, R-10, R-20. Other categories are R-10T (large townhouses); R2-7 (duplexes).

7. APPENDIX B: VOTING TOTALS

As part of Livability 22202 Housing Workshop 2, neighborhood resident participants developed high-impact solutions to advance housing affordability in our area. The solutions provide the foundation of this report. At the end of the session, participants were given 5 dots and encouraged to prioritize which solutions best met our shared values, addressed barriers, and would best address our common objectives for housing as our neighborhood changes. The dot vote totals here provide directional on the priorities of the participants who were representing their neighborhood.

Proposal	Objective	Votes	Details
Amend Zoning to Broaden Single-family Areas	New Development of Diverse Options	19	Define a maximum size and allow development within that, and incentivize a mix of sizes and units. Upzone some R5/R6 properties in accordance with a small area plan
Foster Community Integration	Building Community	18	Use County institutions to foster a cross-22202 planning culture.
Explore Virginia Policies	Avoiding Displacement	14	Advance long-term changes that encourage rental affordability by examining Virginia policy changes that will provide Arlington County the tools to limit displacement and encourage rental affordability.
Incentivize Landlord Responsibility	Avoiding Displacement	13	Promote short-term rental affordability in 22202 by encouraging developer responsibility through reputational pressure, zoning incentives, and tax/regulatory incentives as needed
Building Community Through Physical and Digital Platforms	Building Community	13	Creating both physical and digital spaces for community building, including a full-scope community center
Develop with Character in Mind	New Development of Diverse Options	9	Zone for more density while maintaining character and continuity to the extent possible.
22202 as a Model	Building Community	8	22202 is a community and should be arranged as such. It can be a catalyst for broader change. It can be a pilot for the county to see what works. Livability project exemplifies building community,

			our talking to each other and understanding our different situations
Community Partnerships	New Development of Diverse Options	8	Increase partnerships between affordable housing and community partners, often referred to as “co-location”.
Expand Affordable Production Funding	New Development of Diverse Options	7	Increase both County and developer contributions to the County Affordable Housing Investment Fund (AHIF).
Develop Underutilized Sites	New Development of Diverse Options	6	Consider fallow or underused sites like parking lots or large garages
Zoning Changes for Affordable Housing Production	New Development of Diverse Options	6	Complete, increase, and/or allow zoning changes to increase affordable housing.
Develop Effectively Based on Location	New Development of Diverse Options	6	Expand retail/commercial corridors, create Main Street corridors, such as 23rd St., Eads St., and S. Glebe Rd. along Four Mile Run, and promote transit-oriented development.
Raise Awareness of Displacement Risks	Avoiding Displacement	4	Build understanding and support from neighbors on the importance of housing affordability.
Modify or Relax Minimum Parking Standards	New Development of Diverse Options	2	Reduce requirement for off-street parking spaces.
Tenant and Homeowner Protection Assistance	Avoiding Displacement	1	Expand and streamline protections for renters and homeowners

8. APPENDIX C: WORKSHOP 1 SUMMARY

Overview

On January 25th from 10:00 to 12:30pm, the **Livability 22202 coalition**, representing residents of the three civic associations surrounding the Amazon HQ2 site, held **Workshop 1 on Housing Affordability**. Livability 22202 aims to bring together residents in very different communities, from high-density urban to mid-rise rental, to low-density single family, across all ages and incomes, and build a common vision for how to create more housing affordability. The first workshop, which brought **35 attendees** across Arlington Ridge, Aurora Highlands, and Crystal City, sought to achieve the following objectives:

- **Explore and deepen** the housing focus of Livability 22202 platform
- **Recruit and raise awareness with neighbors**, both renters and homeowners, of the importance of housing affordability and best practices
- **Begin to develop a shared solutions agenda** that articulates the community's perceived housing barriers and values to shape concrete actions for Workshop 2

The event brought together a combination of **historical context, data, and personal stories** to express the urgency of the housing affordability crisis and to work in small groups to begin shaping community-led solutions. The program began with an overview of Livability 22202 and objectives of the day from co-organizers Ben D'Avanzo, Susan English, and Zach Komes.

History Presentation

Karl VanNewkirk, a historian with the Arlington Historical Society, provided historical context of Arlington's growth. While 20 minutes was not enough time to cover the 270-year story, Mr. VanNewkirk discussed and provided photos showing how transportation greatly affected housing development in 22202. The area's housing stock has ranged from Civil War era Freedman's Village and East Arlington, brickyard and railyard worker houses in today's Crystal City, to summer cottages on the Ridge, and 20s, 30s and WWII-era bungalows and Cape Cods in between, along with the redevelopment of Potomac Yards as office and residential high-rise. Early streetcar lines, highway building during the post-war expansion (I-395 and Rt. 1), and the coming of Metro in the 70s and 80s affected the area. Metro development, a key asset of our area, was marketed to Arlingtonians in the 70s as density for convenience and new revenue, but that gave us a cultural disconnect between neighborhoods which we struggle with today.



Figure 1. Queen City, a historically African American enclave located in what is now Crystal City, was destroyed by eminent domain to build the area around the Pentagon.

Racism also shaped our housing history. What we now call Arlington went from being a part of Fairfax in 1742, to a part of the District in 1801, returned to Virginia in 1847, separated from Alexandria City in 1870, and was renamed as Arlington only in 1920. As its regional identity evolved, going from slave to free to integrated, both the area’s history of red-lining and segregated housing, and its importance as a transportation hub close to Washington continue to be factors which have shaped the housing stock.



Housing Needs Panel

With this grounding in history, we then sought to understand the housing affordability crisis from a variety of diverse perspectives. The following individuals volunteered to share their personal stories on their housing needs and aspirations:



Figure 2. Panelists share their personal housing stories.

- **Ann** is a renter in Arlington Ridge who lives with a disability and, due to rent increases breaking the cap of the county program she participates in, she was forced to leave the area to live in a dedicated affordable housing building, which is subsidized in part with funding from the County’s Affordable Housing Investment Fund (AHIF). She discussed that, in her new building outside of 22202, she will be much more limited in independence and mobility without the walkable, transit-rich neighborhood she has called home for many years.
- **Jane** is a renter in Aurora Highlands who enjoys renting in 22202 but is concerned about how the area’s housing shortage will increasingly strain her family, including her newborn second child, as Amazon HQ2 arrives just across the street from her building. Jane is happy to rent forever, as long as she can find affordable options that work for her family.
- **Judy**, an active civically engaged senior, is a renter in Crystal City. Because of rent increases, she has moved three times to different apartments in the neighborhood, including recently downsizing into a smaller unit to help make it more affordable. She hopes that the area will produce housing stock for everyone, including older residents like her.
- **David** and his family were renters in 22202. Despite being a working professional with a legal career, he shared during the session that, because of a shortage of “missing middle” homeownership housing stock, his family will be moving to Fairfax County, where townhouses in his income range are available.
- **Robin** is a homeowner in Aurora Highlands in one of the limited “missing middle” development options in our area. She and her family own two units, living in one and renting out another, and expressed the importance of housing affordability to our economy and workforce. She moved to the neighborhood because it met her family’s needs, but as her kids grow older, she is concerned that she may not be able to find housing that works.

The organizers thank the “storyteller” participants for sharing some of the most intimate parts of their lives with our attendees and for their continued advocacy to support housing affordability in our area.

Housing Needs in Arlington

The workshop’s last presentation was from Michelle Winters, Executive Director of the Alliance for Housing Solutions, an affordable housing coalition and advocacy group based in Arlington. Michelle provided an overview of housing affordability trends in the region and Arlington specifically. Affordable privately-owned rental units in Arlington that are not subsidized, also called Market-Rate Affordable Rental Units (MARKs), have declined by 84% since 2000. Homeownership is similarly increasingly out of reach for too many Arlingtonians. These challenges, while present before Amazon was announced to be coming to 22202, will be growingly strained without further action.

Discussion of Housing Barriers and Values

Finally, the workshop turned to the residents of 22202 in attendance to develop our shared housing values and barriers. The results of this work are listed in this report.

9. APPENDIX D: WORKSHOP 2 SUMMARY

Overview

On March 7, 2020, residents representing the three civic associations surrounding the Amazon HQ2 site convened for a housing affordability workshop hosted by the Livability 22202 Coalition. This workshop, among a series of workshops around livability issues in 22202, seeks to position Amazon’s arrival as an opportunity for the community to come together around needs and vision, deepen understanding of fellow neighbors’ experiences, and advocate for increased community input in major developments such as HQ2.

Overall, the Livability 22202 Housing Affordability Workshop 2 was organized to facilitate community formulation of housing solutions. To encourage group participation and ownership of the issues, the workshop objectives included three key components:

1. **Learn:** Help community members learn the specific policies and solutions that can address the barriers and values discussed at the last workshop
2. **Brainstorm:** Discuss various ideas and solutions with an open mind
3. **Prioritize:** Forge a consensus around a set of priority actions that the community wants. The goal is to develop 22202 preferences for the neighborhood, an opportunity for the neighborhood to weigh in on ideas for change

While Workshop 1, hosted in January, deepened the focus on housing within the Livability Framework and raised awareness on housing needs within the community, Housing Affordability Workshop 2 aimed to address housing barriers and challenges by putting forth solutions and ideas for the community’s most critical housing needs.

The Housing Affordability Workshop 2 brought together 45 attendees from the Arlington Ridge, Aurora Highlands, and Crystal City civic associations, as well as 7 specialists working to bring more housing options to 22202 from the public and private sectors.

Review of Workshop 1 Results

Participants heard from co-chairs on a summary of January's Housing Affordability Workshop 1 brought together historical context, data, and personal stories to express the urgency of housing affordability and encouraged citizens to work in small groups to begin shaping community-led solutions. Participants were tasked to discuss a broad range of community values and housing aspirations, as well as barriers that reduce housing supply and affordability.

From these discussions of values in workshop 2, key priorities were proposed for exploration in Housing Affordability Workshop 2:

1. Avoiding displacement
2. Developing diverse housing options: addressing lack of supply of both affordable and market rate housing
3. Building community

Presentation on Housing Trends

Michelle Winters, Executive Director of Alliance for Housing Solutions (AHS), gave a presentation on the importance of affordable housing options in communities, housing trends in the area, and various tools and approaches to generating more affordable housing and preserving communities with longtime residents.

Michelle described that we currently have a massive housing supply shortfall across the Washington region, and there is a need to create about 32,000 housing units/year regionally. Local governments have agreed we need an additional 320,000 dwelling units produced regionally in the next 10 years.

- Arlington has suffered a loss of market-rate affordable rental options (defined as affordable to 60% AMI and below)
- House price appreciation in Arlington has also been a result of size inflation
- Two-bedroom attached and detached homes are being replaced by much larger units and likely won't be around for very long
- Household size has been declining to 1-2 person households
- There is growth in the over-75 population requiring different housing solutions
- The types of housing available matter a lot - even with balance, a properly balanced market can be too expensive – minimum wage income cannot keep up with housing costs
- Currently there is a lot of new single-family housing and a lot of apartments being built – and not much being built in-between (the missing middle)



- Missing middle/housing scale: lack of smaller 2- to 4-unit apartment buildings
- To keep up with these current trends, Arlington should be producing around 32,000 units per year, but development severely slowed in 2008 and the county has seen underproduction of units since that time

A show of hands in the room revealed that about half of attendees were renters and half were homeowners. Michelle presented Area Median Income (AMI) data to illustrate how “low income” and “very low income” are defined. In Arlington, AMI is currently \$85,000 for one person and \$121,000 for a family of four.

Michelle presented the 2015 Arlington County Affordable Housing Master Plan (AHMP) which laid out major goals for housing in Arlington, including supporting county residents in all stages of life, improving our neighborhoods, and strengthening our economy. The AHMP weaves together many of Arlington’s existing affordable housing programs and initiatives, including:

- Rental programs and homeownership assistance
- Arlington’s own version of Section 8 for lowest income residents
- Affordable Housing Investment Fund (AHIF) which is supported through Arlington County and developer contributions
 - AHS is advocating for including a \$25,000,000 county contribution to the fund this upcoming year
- Efforts to preserve current market affordable units such as Housing Conservation Districts and tax abatement
- Missing middle efforts such as the Accessory Dwelling Program and a new Missing Middle Study that is in the early stages

Finally, Michelle noted additional methods other communities employ to improve housing affordability including: real estate investment trusts, co-ops, community land trusts, rent-to-own tenant purchase, modular housing, and bonus density in exchange for meeting affordability targets. Some tools, such as rent control, are not available for use in Arlington under Virginia state laws.

Finally, Michelle shared established housing targets that were approved last year, including:

- Production of 320,000 housing units in the region in the next 10 years
 - This is 75,000 more than what was planned
- At least 75% of new housing should be in activity centers

Panel Discussion on Housing Solutions

Kathleen McSweeney, Vice Chair of the Arlington County Joint Facilities Advisory Commission and formerly a member of the Arlington County Planning Commission, moderated a panel discussion to elicit varying points of view concerning the themes of the workshop.

Panel members included:

Michelle Winters: *Executive Director, Alliance for Housing Solutions*

Andy VanHorn: *Executive Vice President, JBG SMITH*

Dave Leibson, *former chair of the Arlington County Housing Commission*

Matt Mattauszek: *Master Planner, Arlington County*

Below is a summary of questions and answers provided:

Question: Why should we want to subsidize affordable housing?

A: Michelle commented that community diversity is important: the whole community benefits when people can live close to their jobs. The local economy suffers if businesses can't sustain workers who live far away, and affordable housing is integral to sustainability goals. Local businesses who train low-wage staff suffer if employees can't live near their jobs - they often leave the businesses that train them.

A: Dave Leibson added that the hotel and restaurant industry depends on low-wage workers – other areas are competing against Arlington and we can go into decline if we do not maintain vital business sectors

Q: Bonus density - the county's policy is to achieve as much on-site affordable housing as possible. As a for-profit developer can Andy talk about the efficacy of bonus density?

A: JBGS uses bonus density to provide affordable housing. The standard Floor-area-ratio (FAR) drives the density that is allowed, and Arlington County can approve bonus density if mitigated through community benefits. Andy VanHorn noted that most developers usually make a cash payment to the county AHIF, because it is generally more affordable to build units in lower scale projects than building affordable units on site in the high-density corridors. Andy also noted that reducing or eliminating parking requirements could be a tool which might allow developers to build more affordable units on site by lowering overall costs.

Q : What can we do policy-wise to continue to incentivize development of affordable housing?

A: Matt Mattauszek reviewed the bonus density provisions which incentivize affordable housing, and noted that the county is cautious in considering how many housing incentives to provide for developers, considering there are other needs for community benefits such as open space, street improvements, and utilities undergrounding.

Q: if a property is not “GLUPPED” for affordable housing can there be a GLUP change – how long does it take to get a GLUP amendment and can we speed it up?

A: Matt Mattauszek described some of the difficulties in approving GLUP amendments, which frequently require the county to conduct extensive feasibility studies. Staff resources are thin and amendments require community feedback, extending the time required for GLUP amendments. Michelle noted the county is looking at tools within housing conservation districts to streamline the development process and include affordable housing, with incentives for developers if they set aside a percentage of affordable units.

A: Andy VanHorn noted that time is money even for affordable housing development and asks if there can be a quicker process. Then affordable housing developers would be able to compete more effectively (price and closing speed) for properties that are available to develop.

A: Michelle Winters noted that other communities have initiatives to speed approval processes – such as “green tape” initiatives to expedite approvals (opposite of red tape!)

Q: What's your dream tool for the toolbox - if you had a magic wand what would you do to provide more affordable housing?

A: Dave Leibson noted that land is the biggest driver of housing costs and density contributes enormously to the tax base. The affordable housing stock can be improved if more tools are provided to add density in corridors like Columbia Pike and Lee Highway. Better master planning for these areas, providing for growth 30 to 40 years in the future, can provide opportunities to grow our housing stock.

A: Michelle Winters added that with a goal to bring more investment into committed affordable housing units (CAFs), she would encourage the political will to one day vote for a bond referendum that supports developing CAF units in Arlington.

Q (audience): What would it take to make missing middle development economical? What kinds of units can fill the missing middle?

A: Economical construction is difficult in Arlington because of the land value, and cost of production/construction is at an all-time high. Zoning and site plan approvals for individual projects are time consuming and costly, and Michelle Winters noted that most developers have identified that provision of affordable projects essentially require by-right zoning to minimize up-front soft costs in a project.

A: Andy VanHorn noted that missing middle sites need to be limited in density which is hard to do in the urban corridors. The reason for this is that per unit construction is approximately \$500,000 in concrete but 20% less in wood frame construction (generally four stories maximum height). But up-front soft costs for small projects can negate the cost savings for building at lower density with wood-frame construction.

Q: Is there any way to streamline the approvals process?

A: Matt Mattauszek noted that if the process is a barrier then we need to look at it – and notes that it is not feasible to have multiple SPRC meetings for small parcels and projects – small projects do not lend themselves to a case-by-case review.

A: Dave Leibson spoke about the Columbia Pike form-based code and questioned whether it could be more streamlined than it currently is. Can it be applied to other neighborhoods? Susan English requested the panel define the form-based code and Matt Mattauszek noted that the code is oriented toward creating appropriately scaled streets and open spaces, and transitions to adjacent land uses, rather than being based more predominantly on density. An important aspect of the code is predictability.

Q: (audience): If we come up with innovative approaches to increase housing supply– how do we get schools and services to keep up with development?

A: Andy VanHorn noted that increasing housing supply is beneficial; for instance, Seattle and San Francisco currently have very undesirable outcomes with a lack of supply leading to increased homelessness. Andy VanHorn noted that there needs to be increased follow-on investment by Arlington County in the high-density corridors.

A: Michelle Winters also noted that the county might be able to more successfully employ a TDR program (Transfer of Development Rights), and that the program in the county is currently very limited and there is a limited market for it here.