

The Importance of Missing Middle for Arlington's Future

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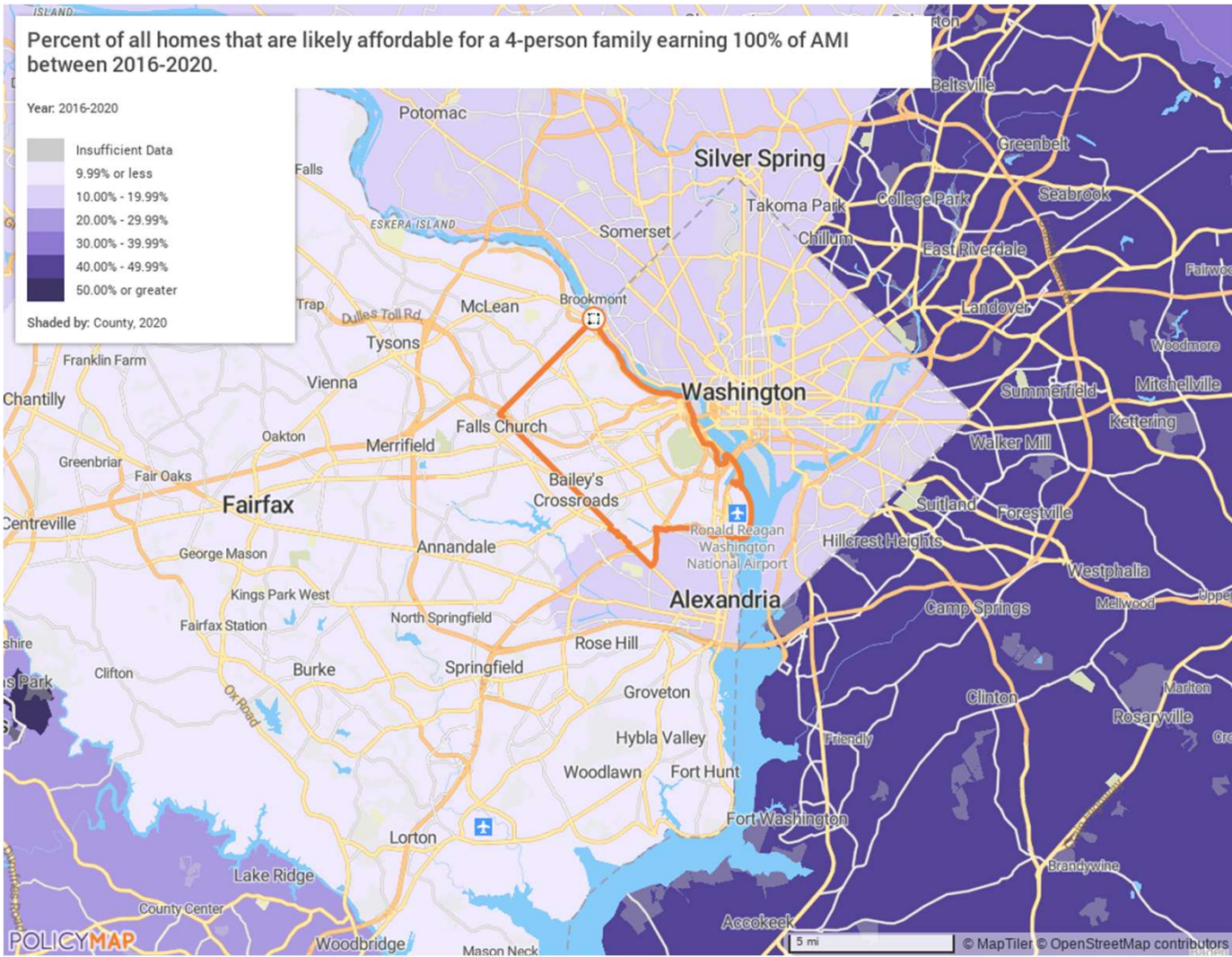
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 - FORMER VICE-CHAIR; AFFORDABLE HOUSING MASTER PLAN WORKING GROUP
 - FORMER BOARD MEMBER; ARLINGTON PARTNERSHIP FOR AFFORDABLE HOUSING
- 

Agenda

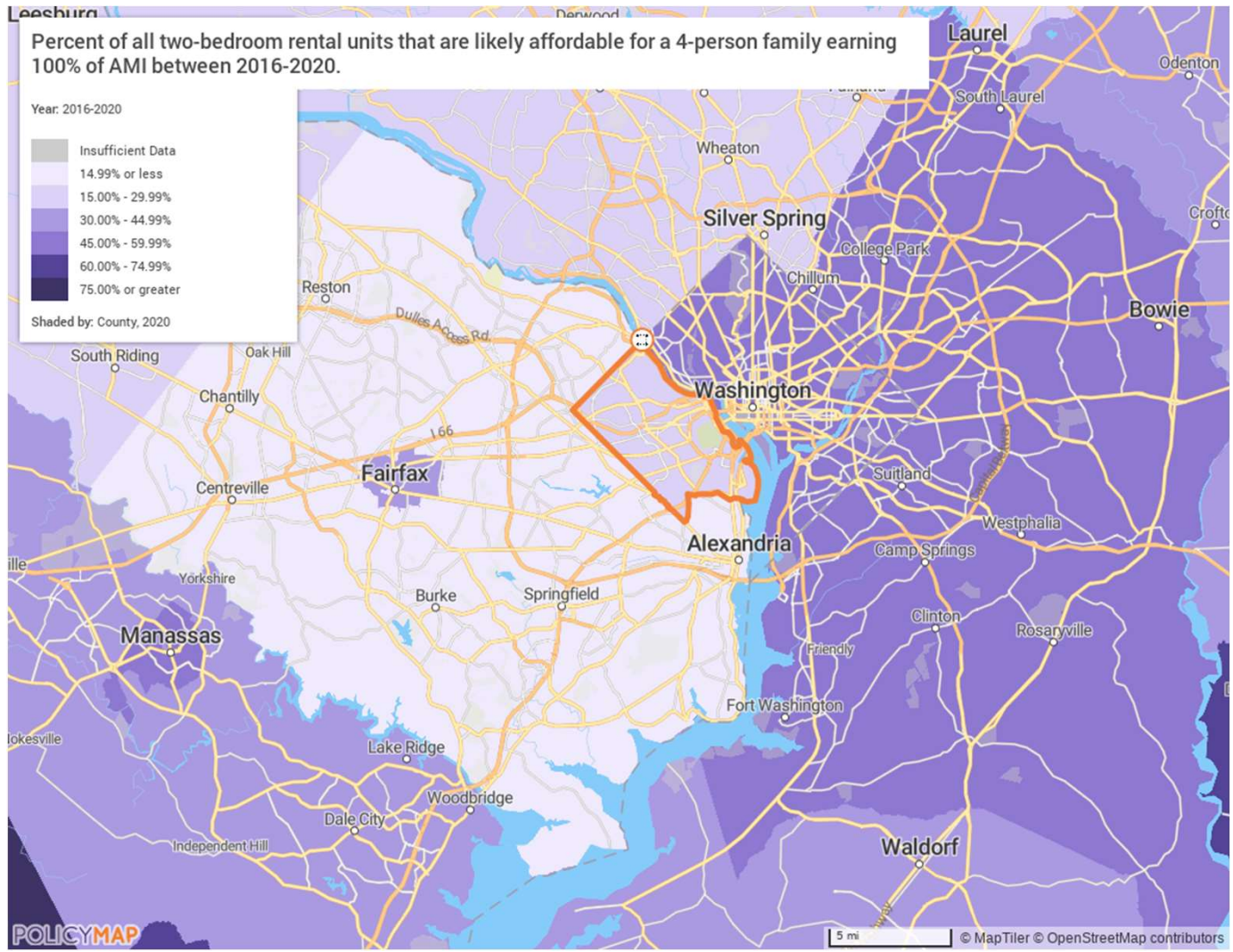
- Setting the context:
 - Why must we add housing supply at the regional level?
 - Why is it critical that Arlington - in particular – step up?
- Of various growth options for Arlington, why must Missing Middle be a piece of the puzzle?
- Perspectives on the specific proposal put forward by the County



The status quo in Arlington: minimal existing attainable housing stock

Source: PolicyMap analysis of 5 year US Census Bureau American Community Survey data and HUD income limits: <https://www.policymap.com/>

Source for additional presentation content: ULI Terwilliger Center 2022 Home Attainability Index



The status quo in Arlington: minimal existing attainable housing stock

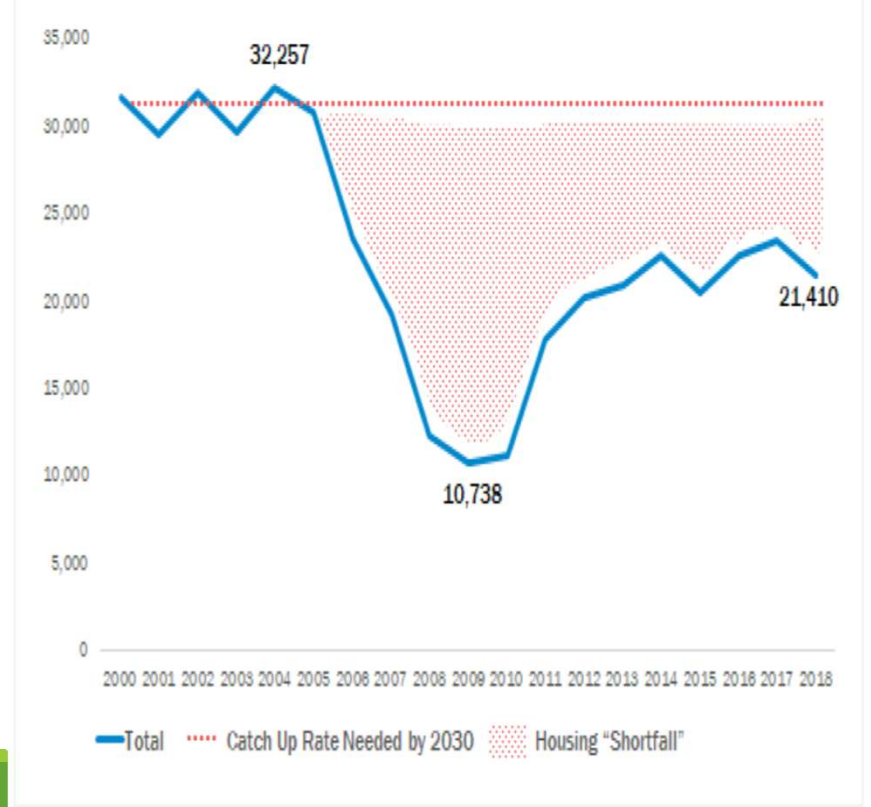
Source: PolicyMap analysis of 5 year US Census Bureau American Community Survey data and HUD income limits: <https://www.policymap.com/>

Addressing the regional housing shortfall

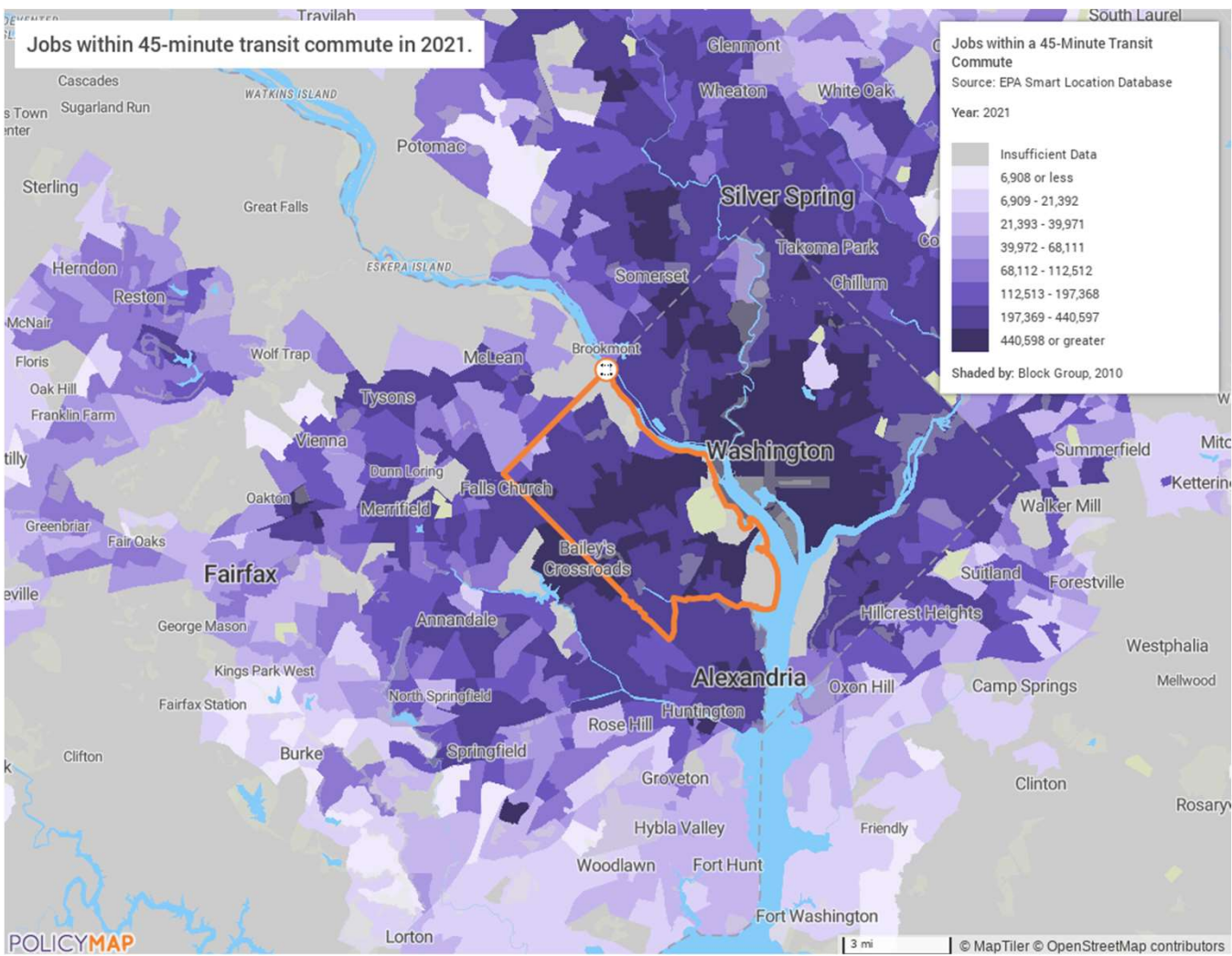
Council of Governments Approved Targets;
(Sept. 2019)

1. Region needs 320,000 housing units in next 10 years...75k more than planned
2. At least 75% of all new housing should be in Activity Centers or near high-capacity transit
3. At least 75% of new housing should be affordable to low and middle-income households

Housing Construction Permits by Year in Metropolitan Washington



Sources: Metropolitan Washington Council of Governments;
<https://hit.handhousing.org/jurisdictions/arlington>; <https://hit.handhousing.org/jurisdictions/fairfax>



Why build more in Arlington? Access to jobs and opportunity

Developing outside of Arlington impacts the broader environment

		Arlington County	Fairfax County	Loudoun County	Prince William County
2016 Status	Total Land Area	26.12	406.49	521.33	347.67
	% Developed	89.51%	55.33%	22.41%	31.89%
	Developed Area (square miles)	23.38	224.91	116.83	110.87
	% Impervious	31.91%	15.19%	6.50%	8.81%
	Impervious area (square miles)	8.33	61.75	33.89	30.63
	% Forest	8.89%	34.68%	34.00%	41.48%
	Forested area (square miles)	2.32	140.97	177.25	144.21
	% Wetlands	0.17%	3.96%	1.41%	6.71%
Change; 2001-2016	Wetlands (square miles)	0.04	16.10	7.35	23.33
	Percent of land area change (net)	2.54%	4.41%	8.91%	10.39%
	Land area change (sq. miles)	0.66	17.93	46.45	36.12
	Impervious surface change (sq. miles)	0.25	5.36	11.81	8.98
	Forest (sq. miles)	-0.13	-7.41	-11.88	-17.33
Wetland (sq. miles)	0	0.21	0.27	1.34	
www.mrlc.gov/data					

Increase in impervious surface in suburban locations

Decrease in forested areas in suburban locations

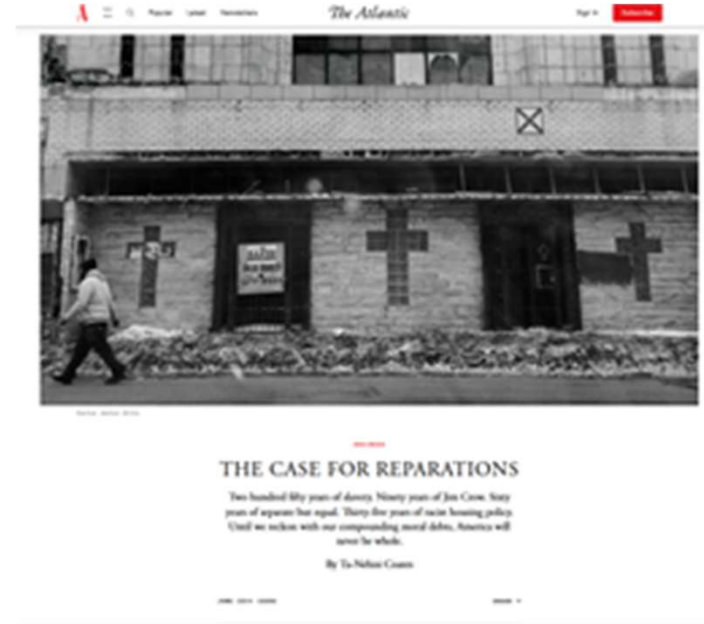
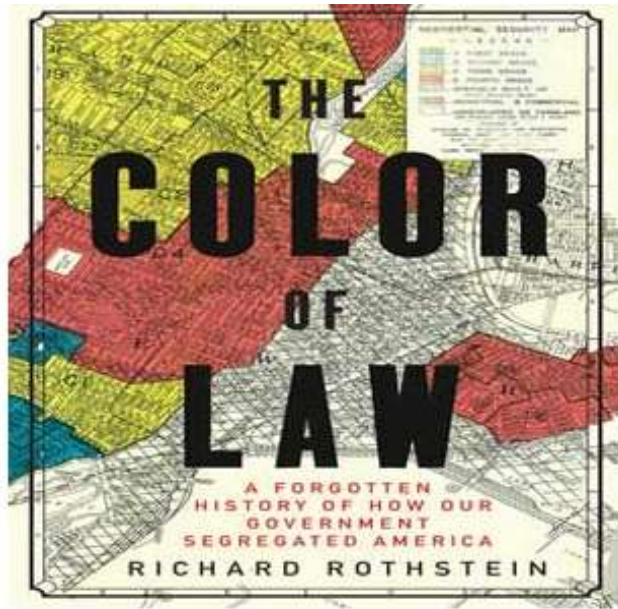
Of various growth options for Arlington, why should Missing Middle be a piece of the puzzle?

Percentage of land where single-family attached/multifamily development is prohibited by-right

Jurisdiction	% Ag/Open Space	% Single Family	Total
Region	23%	51%	74%
DC	19%	23%	42%
Montgomery County	35%	48%	82%
Arlington County	30%	42%	72%
Gaithersburg	0%	23%	23%
Rockville	10%	42%	52%
Prince George's County	35%	37%	71%
Laurel	0%	21%	21%
Fairfax County	0%	77%	77%
Alexandria	6%	29%	35%
Falls Church	0%	40%	40%
Fairfax City	0%	54%	54%

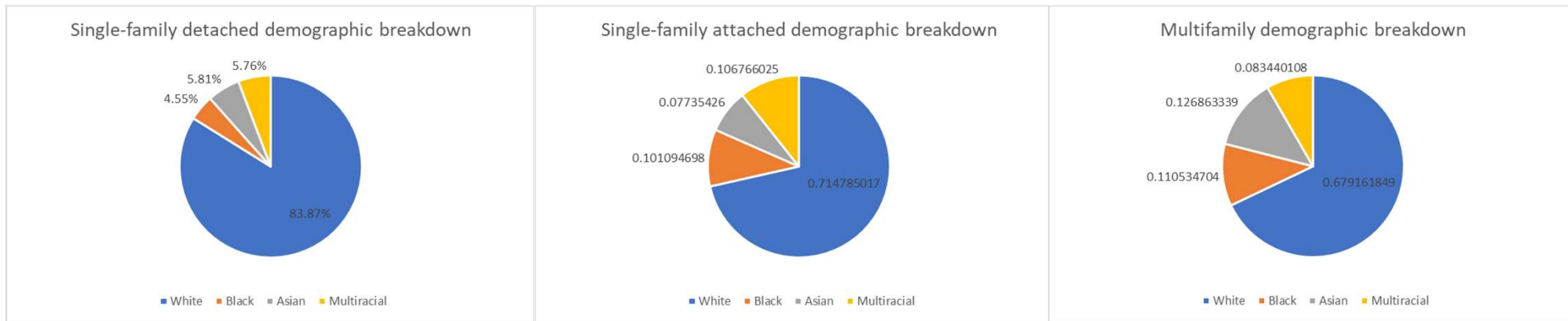
Hadden Loh, Tracy. "Here's How Much of the Washington Region Is off-Limits to Growth." Greater Greater Washington, December 17, 2018. <https://ggwash.org/view/70211/zoning-for-incremental-growth-how-is-our-region-doing>.

Hadden Loh, Tracy. "Where the Washington Region Is Zoned for Single-Family Homes: An Update." Greater Greater Washington, December 18, 2018. <https://ggwash.org/view/70232/washington-region-single-family-zoning-an-update>.



Ending “exclusionary zoning:”
The modern nexus between affordability and diversity

Diverse housing types support Arlington's current racial/ethnic diversity



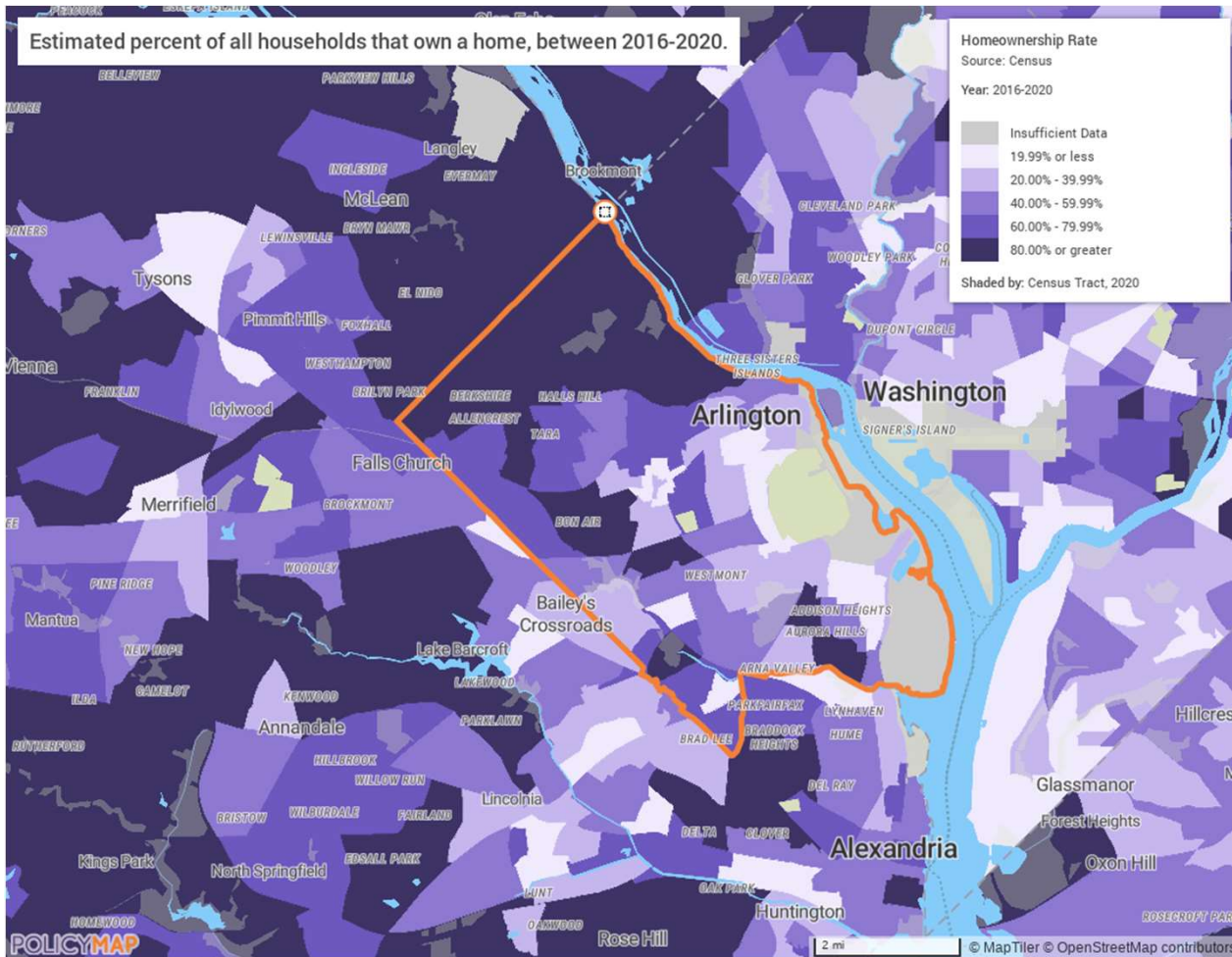
Proportion of SFD units occupied by Hispanic households: 8.25%

Proportion of SFA units occupied by Hispanic households: 14.3%

Proportion of multifamily units occupied by Hispanic households: 12.8%

Residents of other housing types are more diverse; 84% of households in single-family homes are white

Source: : <https://www.arlingtonva.us/Government/Projects/Data-Research/Demographics/Race-Ethnicity-Dashboard>



Harvard Joint Center for Housing Studies: “Rental Deserts” tied to segregation

Source: Arlington homeownership data based on US Census Bureau 2016-2020 ACS estimates;
<https://www.jchs.harvard.edu/blog/rental-deserts-perpetuate-socioeconomic-and-racial-segregation>

Missing Middle can support households of all ages

“The AARP Home and Community Survey consistently finds that most Americans, including older adults, prefer to live in neighborhoods that offer a mix of housing and transportation options and are close to jobs, schools, shopping, entertainment and green spaces.

These preferences — coupled with the rapid aging of the U.S. population overall, the decrease in households with children and the national housing shortage — will likely boost the demand for smaller homes and affordable, quality rental housing in amenity-rich locations.

A neighborhood that includes Missing Middle Housing is well-positioned to respond.”

AARP Livable Communities

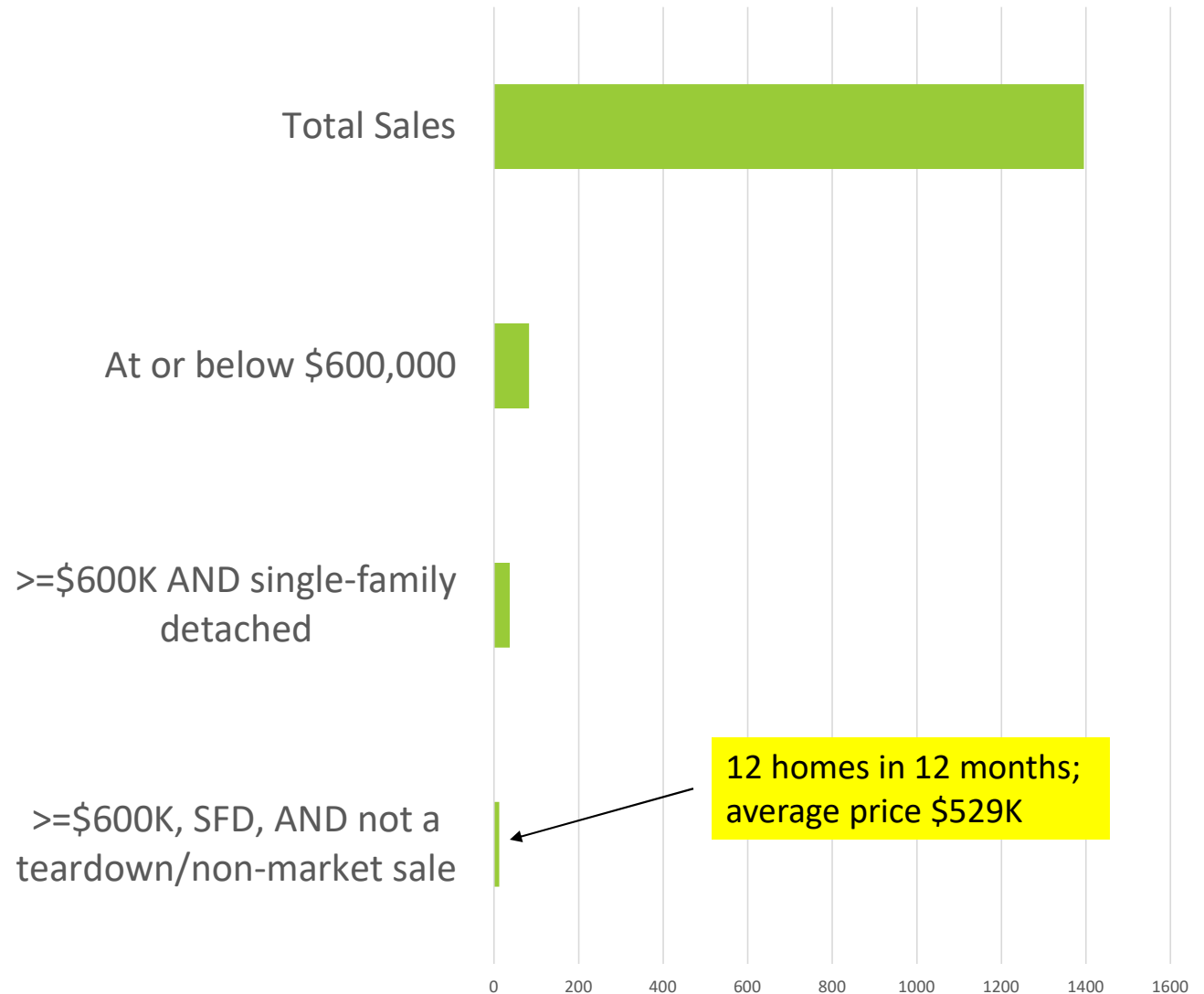
Source: <https://www.aarp.org/livable-communities/housing/info-2022/missing-middle-housing-download.html>



The case for changing the status quo

The attainable single-family detached “starter home” in Arlington is already extinct, for all intents and purposes.

Conducted desktop review of all recent sales of “houses” with at least two-bedrooms (single-family detached & attached) over last 12 months (via Zillow):



County proposal lowers entry-level purchase price point for single-family neighborhoods

Scenario	Source	Standard	Home Price/Standard	AFFORDABILITY	
				Qualifying Income	LEVEL (% of AMI - Family of 4)
Status Quo	County MMH Bulletin 2	Average single family rebuild, last decade	\$1,700,000	\$518,200	364%
Status Quo	Zillow	Typical Mid-Tier Home Value; Single-Family Home	\$968,340	\$295,173	207%
Status Quo	Zillow	Typical Mid-Tier Home Value - 3 Bedroom Only	\$931,051	\$283,806	199%
MMH	Consultant memo	Midpoint MMH - 1000-1299 SF	\$667,000	\$213,860	150%
MMH	Consultant memo	Least expensive MMH 1000-1299 SF	\$573,000	\$185,207	130%
Status Quo	Author analysis of Zillow listings	Average bottom tier SFD, non-tear down, arms length (2+br)**	\$529,041	\$161,264	113%
MMH	Consultant memo	Midpoint MMH - 700-900 SF	\$494,000	\$161,126	113%
MMH	Consultant memo	Least expensive MMH - 700-900 SF	\$430,000	\$141,617	100%

* based on 12 eligible units over last 12 months

Qualifying Income assumptions based on National Housing Conference Paycheck-to-Paycheck methodology: taxes of 1.1%; insurance of 3.5%; interest rate: 5.62%; PMI of 0.9%

Added \$246 in condominium fees for MMH typologies, per PES Consultant report assumptions

Typical single-family home requires family income of almost \$300,000

Missing Middle doesn't solve affordability, but it could expand it

Occupation	Percentile	0-10	11-20	21-30	31-40	41-50	51-60	61-70	71-80	81-90	
		Stockers and Order Fillers	Nursing Assistants	Passenger Vehicle Drivers, Except Bus Drivers, Transit and Intercity	Teaching Assistants, Postsecondary	Plumbers, Pipefitters, and Steamfitters	Child, Family, and School Social Workers	Construction and Building Inspectors	Accountants and Auditors	Civil Engineers	
Percentile		\$ 30,050	\$ 32,150	\$ 41,450	\$ 48,400	\$ 56,970	\$ 66,390	\$ 68,890	\$ 89,220	\$ 93,180	
0-10	Home Health and Personal Care Aides	\$ 29,960	\$ 60,010	\$ 62,110	\$ 71,410	\$ 78,360	\$ 86,930	\$ 96,350	\$ 98,850	\$ 119,180	\$ 123,140
11-20	Childcare Workers	\$ 31,540	\$ 61,590	\$ 63,690	\$ 72,990	\$ 79,940	\$ 88,510	\$ 97,930	\$ 100,430	\$ 120,760	\$ 124,720
21-30	Construction Laborers	\$ 36,840	\$ 66,890	\$ 68,990	\$ 78,290	\$ 85,240	\$ 93,810	\$ 103,230	\$ 105,730	\$ 126,060	\$ 130,020
31-40	Roofers	\$ 50,450	\$ 80,500	\$ 82,600	\$ 91,900	\$ 98,850	\$ 107,420	\$ 116,840	\$ 119,340	\$ 139,670	\$ 143,630
41-50	Postal Service Mail Carriers	\$ 52,490	\$ 82,540	\$ 84,640	\$ 93,940	\$ 100,890	\$ 109,460	\$ 118,880	\$ 121,380	\$ 141,710	\$ 145,670
51-60	Electricians	\$ 62,300	\$ 92,350	\$ 94,450	\$ 103,750	\$ 110,700	\$ 119,270	\$ 128,690	\$ 131,190	\$ 151,520	\$ 155,480
61-70	Police and Sheriff's Patrol Officers	\$ 75,500	\$ 105,550	\$ 107,650	\$ 116,950	\$ 123,900	\$ 132,470	\$ 141,890	\$ 144,390	\$ 164,720	\$ 168,680
71-80	Registered Nurses	\$ 82,530	\$ 112,580	\$ 114,680	\$ 123,980	\$ 130,930	\$ 139,500	\$ 148,920	\$ 151,420	\$ 171,750	\$ 175,710
81-90	Physical Therapists	\$ 94,690	\$ 124,740	\$ 126,840	\$ 136,140	\$ 143,090	\$ 151,660	\$ 161,080	\$ 163,580	\$ 183,910	\$ 187,870
	0-60% AMI	Income necessary to purchase typical single-family detached home over last year: \$295,173									
	60-80% AMI	Green icon indicates household that can afford least expensive missing middle housing typology based on consultant report									
	80-100% AMI	Green icon and bold font indicates household can afford 1000-1299 square foot missing middle typology (2-3 bedroom) based on consultant report									
	100-120% AMI	Gray shading indicates household can afford least expensive 1-2 bedroom rental option based on consultant report									
	Above 120% AMI	Wages are occupational medians for the Washington, DC MSA based on BLS data, compiled via NHC Paycheck to Paycheck database									

County proposal would enable more creative housing solutions


- “Add-on” rather than tear down missing middle
- Interior conversions
- “Platform” for subsidies/investments in deeper affordability
 - Community land trusts, shared-equity homeownership, subsidized rental

Addressing stormwater, tree canopy, etc.

Arlington is experiencing stormwater issues and tree canopy loss under our current growth paradigm that maintains single-family detached zoning. Missing middle is not the cause of these issues.


Addressing these legitimate concerns requires systemic interventions that solve the causes of what is happening today, and should apply to housing of all types.

These solutions can be compatible with missing middle housing. Ideas include:

- Height/lot coverage trade-offs
 - Reduced parking
 - Tree-planting incentives
 - “Form-book” with incentives for eco-friendly design/massing (for all low-to-mid density building types)
 - ...and more for discussion portion of the agenda.
- 

Additional Slides

What values and principles can frame and inform our housing and growth decisions?

- If a region's economy and population are growing, its housing stock must also grow.
 - All communities should contribute to that growth, though the mechanisms and manner can vary by specific needs.
 - People of different backgrounds and circumstances have diverse and often changing needs; as such diversity of housing type is a good onto itself.
 - Housing markets are complex and there are limits to predictability; policies that allow flexibility are more responsive/adaptable.
 - Incremental policy changes can create a stronger foundation for further improvements and iterative policymaking.
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The Regional Need for Housing:

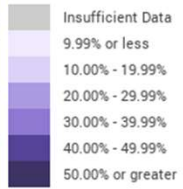
The Washington, DC region is facing a housing affordability crisis

Overall Affordability	Dataset Median	Washington-Arlington-Alexandria, DC-VA-MD-WV
Percentage of severely cost-burdened households with incomes between \$35-50,000/year	6.96%	29.41%
Percentage of severely cost-burdened households with incomes between \$50-75,000/year	2.29%	9.86%
Tenure cost proportion (own/rent)	1.03	1.16
Homeownership Attainability		
Estimated percent of all households that own a home	65.30%	63.91%
Estimated percent of all homes likely affordable to a 4-person family earning 80% AMI	30.91%	7.63%
Estimated percent of all homes likely affordable to a 4-person family earning 120% AMI	52.02%	41.47%
Non-Hispanic White-Black homeownership gap (percentage points)	32.37%	21.04%
Non-Hispanic White-Hispanic homeownership gap (percentage points)	23.71%	20.81%
Length of time in years to save for downpayment (80% AMI, four-person household; median priced home)	16.6	23.5
Rental Attainability		
Estimated percent of all households that rent a home	34.71%	36.09%
Estimated percent of two-bedroom rentals likely affordable to a 4 person family earning 50% AMI	35.85%	31.85%
Estimated percent of two-bedroom rentals likely affordable to a 4 person family earning 80% AMI	85.49%	32.48%
Deeply Affordable Rental Gap: Affordable and available rental units per 100 HH at 30% of AMI (NLIHC)	32.3	30.7
Homelessness Inflection Point: distance to threshold (percentage)	6.16%	20.40%
Length of time in months to save for rental move (first/last month's rent, security deposit; 50% AM, four-person household; fair market rent)	28.0	27.8

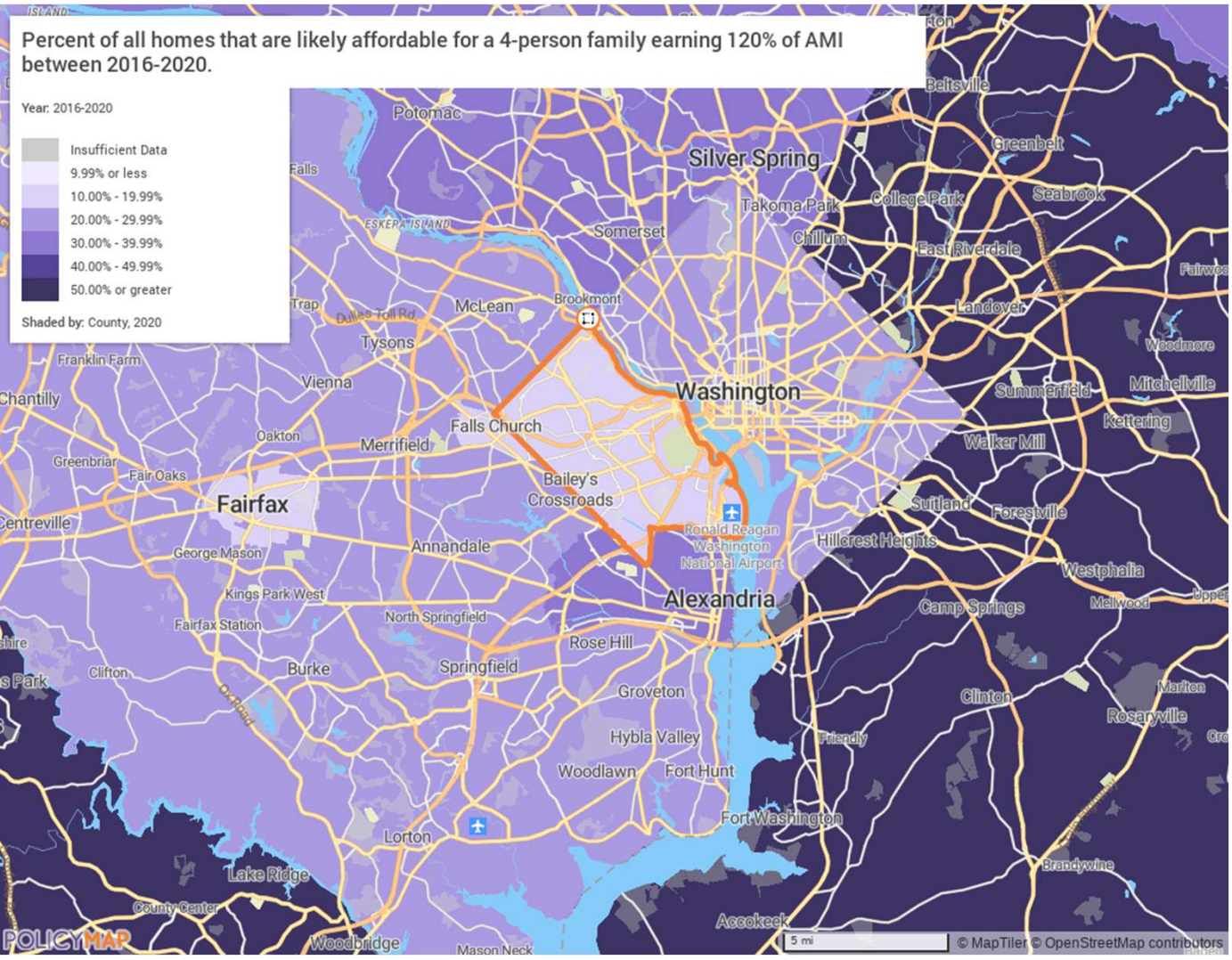
Source: ULI Terwilliger Center 2022 Home Attainability Index

Percent of all homes that are likely affordable for a 4-person family earning 120% of AMI between 2016-2020.

Year: 2016-2020



Shaded by: County, 2020

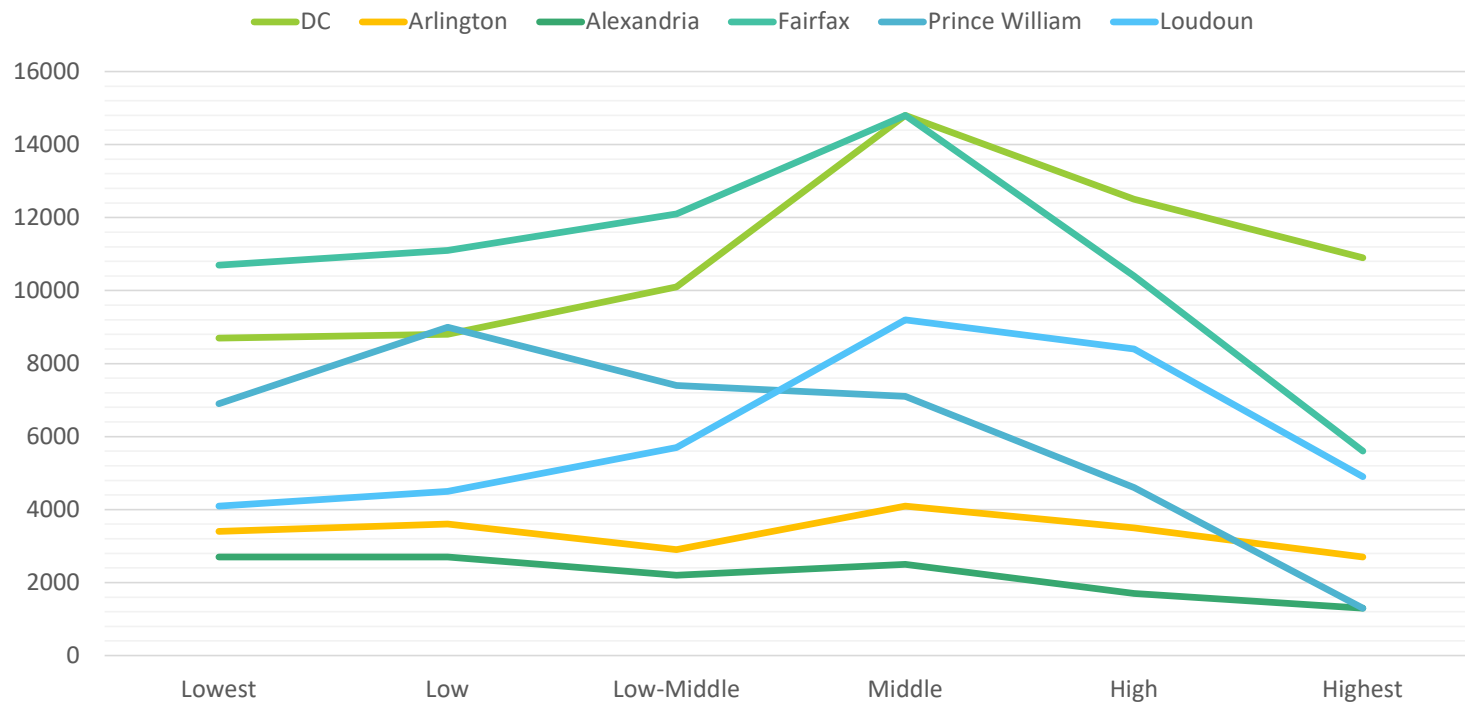


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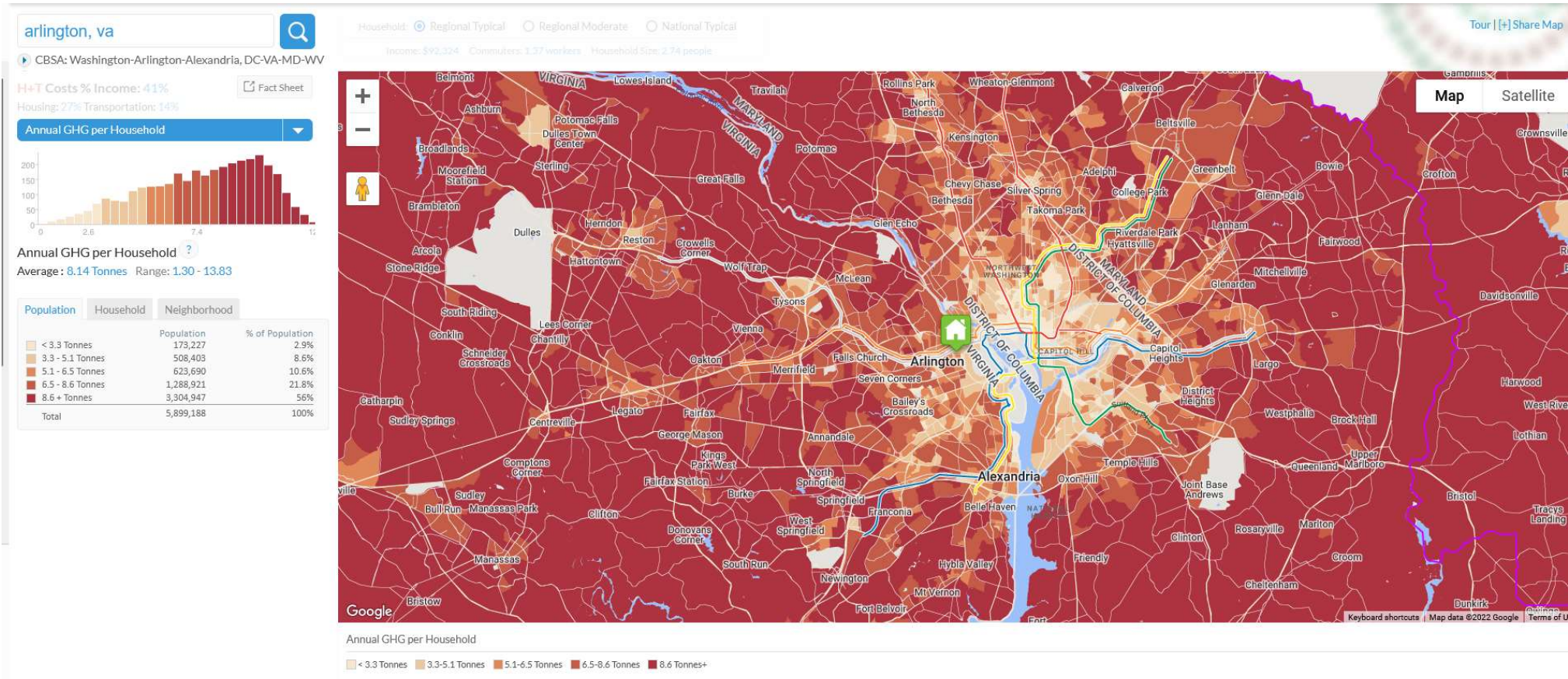
Housing Needed to Fill the Gap and Regional Context

New Units Needed by 2030



Housing Cost Level – Lowest to Highest

Sprawl can exacerbate greenhouse gas emissions



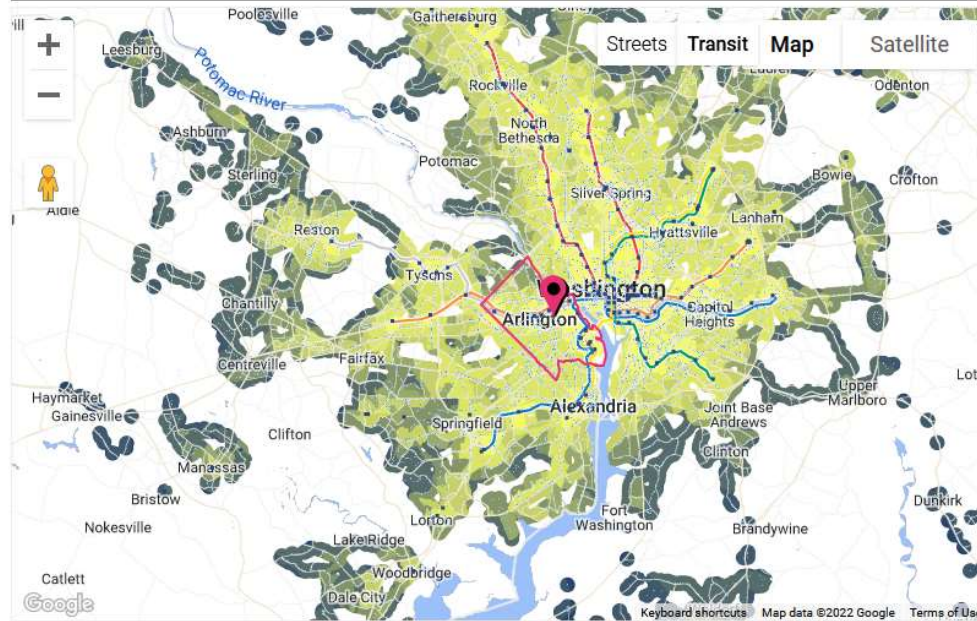
Source: <https://htaindex.cnt.org/map/?mapR=10,-77.08790783438222,38.88879320908693,11,cbsa,220>

AllTransit™ metrics: JOBS ECONOMY HEALTH EQUITY TRANSIT QUALITY MOBILITY

Enter a location

County: Arlington, VA

COUNTY: ARLINGTON, VA



AllTransit™ Performance Score

8.9

County: Arlington, VA
Excellent combination of trips per week and number of jobs accessible enabling numerous people to take transit to work

On Average Households have:

5,505	Transit Trips per Week within ½ Mile
19	Transit Routes within ½ Mile
629,260	Jobs Accessible in 30-minute trip
27.82%	Commuters Who Use Transit

Show Transit Agencies (8)

Overall transit score that looks at connectivity, access to jobs, and frequency of service.

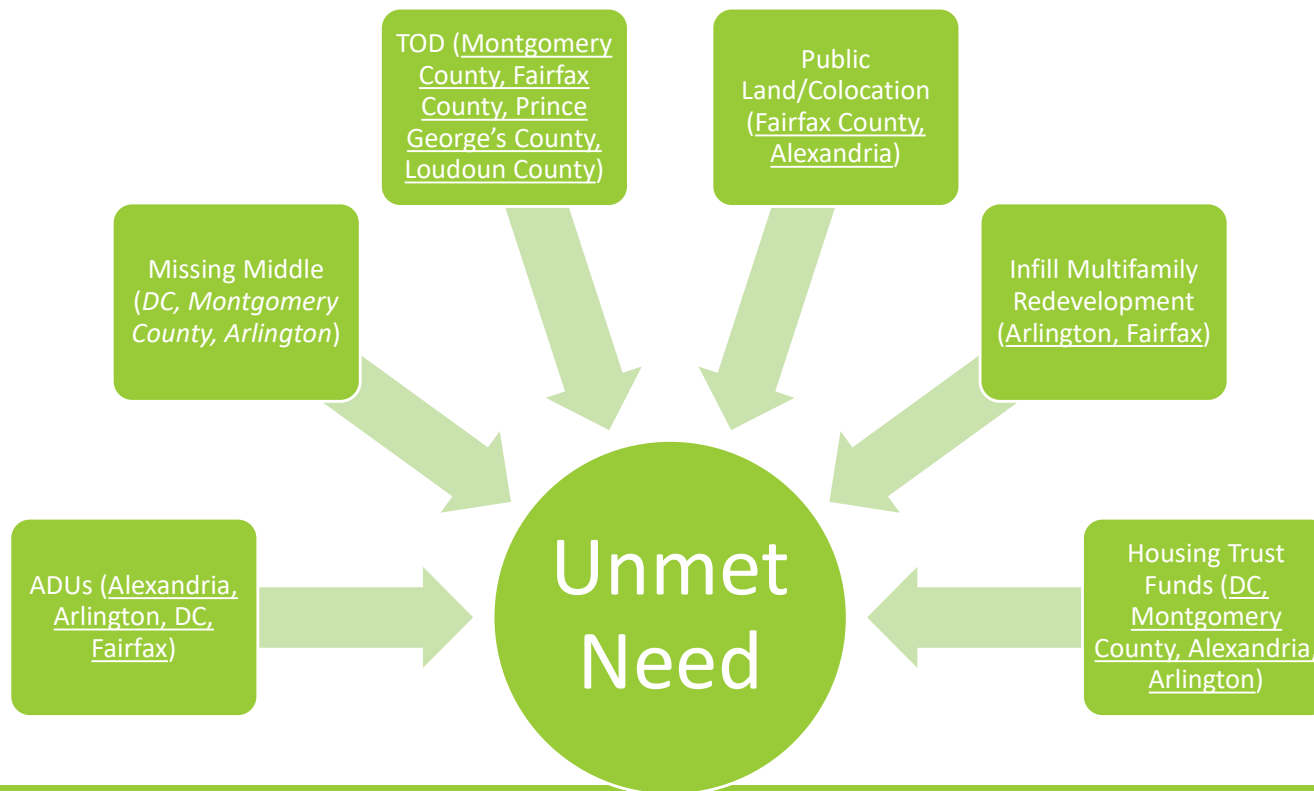
Legend: <1, 1-2, 2-4, 4-5, 5-6, 6-7, 7-9, 9+

Map Layers

Arlington's access to opportunity driven by strong transit access (even in many lower-density neighborhoods)

Source: <https://alltransit.cnt.org/metrics/?addr=arlington%2C+va>

Missing Middle is one piece of the overall housing puzzle (non-exhaustive)



Underline – existing/new policies; Italics – changes under consideration