Form-Based Code & the Affordable Housing Challenge:
The Arlington Experience

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Arlington

~ 26 sq. miles
Arlington

- Population: ~215,000
- Jobs: ~200,000
- Housing units: ~100,000
- Daytime pop.: ~280,000
Arlington

- ~ 40 million sq. ft. of private office space
- ~ 90% in Metro station sectors
- The 7 station sectors in the 2 corridors - constituting one-tenth or less of the County’s land area - produce more than half of County tax revenue
Findings: Affordability of Rental Supply Compared to Household Incomes

- **Renter Households**
  - 50% to 60% AMI: 2,575
  - 30% to 50% AMI: 5,494
  - Below 30% AMI: 9,067

- **Units**
  - 17,136
  - 9,565
  - 8,308
  - 1,119
  - 138
Findings: Rental

All Households: 107,400

Renter Households: 57,086

- Renters below 60% AMI: 17,136
- Units below 60% CAFs: 9,565
- CAFs: 6,531

30% of all renters, 16% of all households only meet 56% of the need.
What’s to be done?

Affordable housing policies and tools
Major policy issues

• Bricks and mortar v. family subsidies
• Renovation v. new construction
• Setting goals and targets
Special needs housing

- Accessibility
- Supportive housing
- Elderly/assisted living
Tools

1. Public Housing
2. Low-income tax credit financing
3. Local revolving loan funds
4. Development contributions
5. Density bonuses
6. Bond financing
7. Inclusionary zoning
8. Leveraging public land
Tools

1. Public Housing
2. Low-income tax credit financing
3. Local revolving loan funds (AHIF)
4. Development contributions
5. Density bonuses
6. Bond financing
7. Inclusionary zoning
8. Leveraging public land
Financing: AHIF

Where do the dollars come from to support AHIF?

AHIF Funding Sources FY2010 - FY2014 ($126.5 Million)
Garden apartments: Affordability preserved with LIHTC

Building and Apartment Features

- Built in 1941
- Acquired in 1995
- Surface parking
- Adjacent to Wilson Blvd. shops
- Low flow plumbing fixtures
- Subject site for Arlingtonians for a Clean Environment (ACE) energy retrofit program in 2013
- Weatherproofing measures made to increase energy efficiency

Apartment Mix and Affordability

This property is mixed-income, combining market-rate and committed affordable units.

<table>
<thead>
<tr>
<th>Size and Affordability</th>
<th>60% AMI*</th>
<th>80% AMI*</th>
<th>Market Rate</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 bedroom</td>
<td>8</td>
<td>12</td>
<td>19</td>
<td>39</td>
</tr>
<tr>
<td>2 bedroom</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>3 bedroom</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>8</td>
<td>12</td>
<td>19</td>
<td>39</td>
</tr>
</tbody>
</table>

* Area Median Income
Parc Rosslyn: New construction, LIHTC, AHIF, density transfer

**Apartment Mix and Affordability**
This property is mixed-use, combining market-rate and committed affordable units.

<table>
<thead>
<tr>
<th>Size and Affordability</th>
<th>60% AMI*</th>
<th>Market Rate</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 bedroom/ Efficiency</td>
<td>65</td>
<td>86</td>
<td>151</td>
</tr>
<tr>
<td>2 bedroom</td>
<td>28</td>
<td>38</td>
<td>66</td>
</tr>
<tr>
<td>3 bedroom</td>
<td>8</td>
<td>13</td>
<td>21</td>
</tr>
<tr>
<td>Total</td>
<td>101</td>
<td>137</td>
<td>238</td>
</tr>
</tbody>
</table>

*Area Median Income

**Project Costs: $67,000,000**

<table>
<thead>
<tr>
<th>Total uses</th>
<th>$67,000,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land from APAH</td>
<td>$7,500,000</td>
</tr>
<tr>
<td>Density value to Arlington Parks &amp; Rec</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>Construction costs</td>
<td>$41,500,000</td>
</tr>
<tr>
<td>Reserves and soft costs</td>
<td>$13,000,000</td>
</tr>
<tr>
<td><strong>Total sources</strong></td>
<td><strong>$67,000,000</strong></td>
</tr>
<tr>
<td>VHDA tax-exempt bond</td>
<td>$43,000,000</td>
</tr>
<tr>
<td>REACH/SPARC loan</td>
<td>$3,500,000</td>
</tr>
<tr>
<td>Arlington County AHIF / Parks loan</td>
<td>$7,000,000</td>
</tr>
<tr>
<td>LIHTC equity</td>
<td>$7,500,000</td>
</tr>
<tr>
<td>APAH Equity</td>
<td>$6,000,000</td>
</tr>
<tr>
<td>(Arlington County Bridge Loan)</td>
<td>($4,500,000)</td>
</tr>
</tbody>
</table>

**Partners**
Arlington County
M&T Bank
Virginia Housing Development Authority
Establishes provisions for affordable housing for site plan projects

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

Applies to both commercial and residential development (excluding hotels)

Provisions can only be changed by the General Assembly
Joint development: Affordable housing with church
Public land for affordable housing

Arlington Mill Residences
● 3 ½ mile corridor
● Garden apartments, strip shopping centers
● Car-oriented, but good bus service
Distribution of Multi-family Rental
Transforming an auto-oriented strip into a walkable main street
Columbia Pike:

- Has 20% of the County’s population
- More than 45% of housing units affordable to families at \( \leq 60\% \) of AMI
- Some 14,800 new units of multi-family housing could be added over the next 3 decades
2002 – The First Charrette
2011 – Second Charrette
Form-base Code

First approved February 2003
A diverse, multi-cultural community

- Nearly ¼ of residents are immigrants.
- Generally affluent, but nearly 1/3 of school children on free/reduced lunch.
- Columbia Pike corridor is most income and ethnic diverse area.

Photos: Lloyd Wolf, Columbia Pike Documentary Project
A diverse, multicultural community

Photos: Lloyd Wolf, Columbia Pike Documentary Project
Integrating housing with policies for the built environment

- Combine housing goals with land use plan
- Incorporate tools with development incentives
Columbia Pike Initiative

Second Phase:

- Land Use & Housing Plan
- Study initiated 2008
- Plan approved July 23, 2012
- Code adopted November 2013
Columbia Pike Initiative

Second Phase:

- New FBC
- Housing goals
- Tools
Analyzing existing conditions, assessing likely outcomes

The housing study
## Affordable Housing Supply & Demand

<table>
<thead>
<tr>
<th>Income range:</th>
<th>Rental Households:</th>
<th>HG &amp; HCV:</th>
<th>CAF’s</th>
<th>MARKS</th>
<th>Gap:</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; $35K</td>
<td>2,986</td>
<td>1,000</td>
<td>0</td>
<td>0</td>
<td>1,986</td>
</tr>
<tr>
<td>$35K-$50K</td>
<td>1,292</td>
<td>0</td>
<td>230</td>
<td>1,200</td>
<td>-138</td>
</tr>
<tr>
<td>$50k-$75k</td>
<td>2,449</td>
<td>0</td>
<td>890</td>
<td>1,800</td>
<td>-241</td>
</tr>
<tr>
<td>$75-$100k</td>
<td>1,129</td>
<td>0</td>
<td>84</td>
<td>3,200</td>
<td>-2,155</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>7,856</strong></td>
<td><strong>1,000</strong></td>
<td><strong>1,204</strong></td>
<td><strong>6,200</strong></td>
<td><strong>-548</strong></td>
</tr>
</tbody>
</table>

- 7,856 Total Households includes rental units within the general Columbia Pike Planning Area
- Some of the rental units may be located within single family homes, condos or townhouses
- Up to 40% of CAF units are occupied by HG & HCV households creating an overlap.

Source: 2010 Census and CPHD
### Housing: Projected losses

<table>
<thead>
<tr>
<th>Category</th>
<th>2010 Baseline</th>
<th>2040 Projection</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Market Rate (above 80%)</strong></td>
<td>1,714</td>
<td>14,800</td>
</tr>
<tr>
<td>40% MARKs</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>50% MARKs</td>
<td>1,200</td>
<td>0</td>
</tr>
<tr>
<td>60% MARKs (at/below 60%)*</td>
<td>1,782</td>
<td>0</td>
</tr>
<tr>
<td>80% MARKs (60-80%)</td>
<td>3,213</td>
<td>2,700</td>
</tr>
<tr>
<td><strong>Total MARKs</strong></td>
<td>6,200</td>
<td>2,700</td>
</tr>
<tr>
<td>40% CAFs</td>
<td>0</td>
<td>250</td>
</tr>
<tr>
<td>50% CAFs</td>
<td>230</td>
<td>460</td>
</tr>
<tr>
<td>60% CAFs*</td>
<td>890</td>
<td>4,190</td>
</tr>
<tr>
<td>80% CAFs</td>
<td>84</td>
<td>700</td>
</tr>
<tr>
<td><strong>Total CAFs</strong></td>
<td>1,200</td>
<td>5,600</td>
</tr>
<tr>
<td><strong>Total Units</strong></td>
<td>9,113</td>
<td>23,100</td>
</tr>
</tbody>
</table>
Multi-family stock:

- Varying conditions, quality
- Differing impact on built environment, including walkability
What’s to be done?

Affordable housing policies and tools
Ambitious goal – Multi-pronged strategy

- Zero net-loss of affordable housing
- Specific financing and planning incentives
Ambitious Housing Goals

- **Preserve approximately 4,500 affordable units**
  - 100% of housing affordable to households earning from $35k to $65k (lower incomes – up to 60% AMI)
  - 50% of housing affordable to households earning from $65k to $85k (moderate incomes – 60% to 80% AMI)

- **Explore Housing Options for households earning less than $35k** (very low incomes – less than 40% AMI)

- **Expand ownership options** – households earning between $65k and $100k

- **Distribute affordable units across the Pike**
What are Conservation Areas?

Areas contributing to the overall character and identity of the Columbia Pike community and future vision of retaining existing built environment. Some of these characteristics include:

- Cohesive Campus
- Low-Scale Buildings
- Open Spaces with Mature Trees
- Affordable Housing (rental & ownership)

Excerpt from p. 4.21 (Draft Neighborhoods Area Plan)

Conservation Areas are areas where the recommendation is to maintain the existing form of development and preservation of affordable housing, existing buildings, open spaces, and landscaping including tree cover would occur. New development is not planned for these areas however limited opportunities for building renovations, building expansions such as “bump outs” to enlarge housing unit sizes, or site improvements to improve pedestrian circulation, screen parking, or reduce impervious pavement are possible.
What are Redevelopment Areas?

- Areas close to the Pike and existing mixed-use nodes previously identified for redevelopment
- East and West ends of the Pike provided with incentives which guide change and help meet goals of the Plan
- Form Based Code (FBC) would be primary tool for achieving urban form goals, including sustainability and visitibility
- Reduced parking ratios for committed affordable units in excess of base requirements
- Retail focused in existing FBC nodes, but small office/retail uses may be permitted by special exception along Pike frontage or away from the Pike
Tools

- FBC Inclusionary requirement
- TDR
- Bonus height
- AHIF (revolving loan fund)
- Tax credits (LIHTC & Historic Pres.)
- Parking relief
- Leveraging public land
Form-based code

Developer/landowner benefits:

• Significant increased density
• Relief from substantive requirements of as-of-right zoning
• Relief from procedural requirements of special exception process
Form-based code

Housing requirements:

• CAFs must be included (new or renovated)
• Tenant relocation guidelines must be followed
• Options for units of higher or lower affordability
Form-based code

Access to other incentives:

- Tax credits (LIHTC & historic preservation)
- AHIF financing (County revolving loan fund)
- IDA financing
- Partial tax relief
- Potential relief of parking req’s
TDR

Transfer of development rights:

- Allows density to be taken off sites intended to be preserved
- Can be applied to sites designated for “bonus” height
TOAH and TIF

- Columbia Pike Transit Oriented Affordable Housing (TOAH) Fund
- Funded by TIF
- 25% of tax growth in district goes to TOAH
- Can be used to help with a range of costs for creating CAFs along the Pike
Other tools

• Potential relief of parking req’s
• Special loan funds
• Public land
In sum
30-year plan aims to:

• Preserve approximately 6,200 affordable housing units for people and families who can afford 40-80 percent area median income (AMI)
• Improve the built environment along the Pike, while strengthening neighborhood character
• Expand and improve the street, bike & pedestrian network
Affordable housing - Projects developed or under development based on the Form-based code

Early results
Arlington Mill Residences

Four-story, 122-unit complex, 100% affordable, includes 98 two- and three-bedroom units to support larger families, 13 units designated for formerly homeless individuals and families.
“The Shell”
“The Shell”
“The Shell”
“Columbia Hills”

Under construction: 229 units of affordable apartments
“Columbia Hills”
Arlington Presbyterian - “The Gilliam”
Arlington Presbyterian - “The Gilliam”
Arlington Presbyterian - “The Gilliam”
Axumite Village
Axumite Village
For more information, or if we can help you, please contact me:

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