

## **Urban Housing Awareness Month Drives Home County's Intent To Elevate the Middle Over Lower Income Groups**

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### **October is Urban Housing Awareness Month**

If October is not the month chickens come home to roost, it should be. Turns out, it is “Urban Housing Awareness Month” instead. Things started out great, as the County Board on September 15 proclaimed October as “Urban Housing Awareness Month” and affirmed its support for fair housing. Board members committed Arlington to adhere to the [Affirmatively Furthering Fair Housing Rule](#), despite a decision by the U.S. Department of Housing and Urban Development (HUD) to no longer enforce this provision at the federal level. (See the county press release and proclamation [here](#).) Board member Takis Karantonis expressed concern that “more than 50% of our renters pay more than 50% of their household income for housing” and indicated the board must help ease those pressures.

But wait. The balance of evidence on county actions regarding affordable housing shows a different dynamic at work. ASF believes the board is using the cover of “affordable” housing not to help the neediest (generally understood to mean those earning 30%–60% of Area Median Income, or AMI), but to help households earning 80%–120% of AMI. Why do we think this?

### **Opening the “Affordable” Door to Higher Income Residents**

Last year, the board fudged its numbers by ratcheting upward the AMI levels for which builders could claim density credits. Essentially, in most of our affordable housing deals in Arlington, a builder gets more density, a public good, and in exchange provides units that they hold at levels affordable to certain (lower) income levels. By [ratcheting up eligibility for affordable units to higher income levels](#) last November, the county changed tack to reward builders without gaining

additional public goods in return. Note here a slide in income levels to help those further up the economic ladder: As ARLNow puts it, “By giving itself the option of considering higher income levels for affordable housing, the County Board hopes to allow the creation of more affordable housing, particularly for those at moderate income levels.”

Every ratchet upward of AMI puts more pressure on those at the lower end of the income spectrum. In putting the squeeze poorer residents, such complex deals allow the county to maintain rosy headlines. “County Board Approves Changes Aimed at Creating More Affordable Housing” should really translate as “County Board Tweaks Formula in Favor of Developers Who Failed to Deliver Their End of the Bargain. The lone example appeared in a *Sun Gazette* article that heralded potential negative fallout, headlining [“Arlington Board Eliminates Income Ceilings for Affordable Housing.”](#)

### **Columbia Pike Neighborhoods Form-Based Code and Area Median Income Revisions**

The County Board came close to hiking AMI levels again just this week. Until public outcry derailed the plan, it looked certain that the board would adopt the tabled County Manager recommendation to “allow for affordability levels up to 80 percent of AMI and up to 100 percent of AMI when ownership units are proposed [for units being offered under the Columbia Pike Form-Based Code.]” Form-Based Code, or FBC, is a tool approved in 2012 to permit redevelopment along Columbia Pike and is intended also to protect lower income residents from displacement.

The original staff proposal was to allow those earning 60% of AMI (\$60,480 for a household of 2) to qualify for the ownership units, but it would expand eligibility as well to those earning 80%–100% of AMI (\$80,640 and \$100,800 for a 2-person household, respectively). The manager noted, “the change is meant to reflect the overall cost of homeownership in Arlington and expand the pool of eligible, qualified buyers trying to buy an affordable home.” Essentially, he is saying, “the gentrification train has left the station, builders’ bottom lines suffer by subsidizing such low-income units, and middle-income earners can’t find housing, so let’s make it easier for higher income households to receive a public benefit.”

The Alliance for Housing Solutions, a nonprofit housing advisor, which is usually in lockstep with the county, smelled a rat, noting in its letter on FBC, “It is more appropriate to consider this policy in the context of a density bonus program that requires significant contribution in order to earn the additional density. *An increase in the AMI is equivalent to an increase in the sales price of an affordable unit, and therefore is a reduction in the value of the required developer contribution.*”

Ultimately, one day prior to the board meeting, the County Manager recommended deferring his recommendation. The board voted to defer the AMI change indefinitely in response to strong pushback from the community (including from ASF), which feared that the proposal would displace poorer residents and subsidize those whose need for public aid is significantly lower. [NAACP president Julius Spain, Sr., delivered a further body blow](#) to the whole initiative by implying that both developers and affordable housing providers are too cozy with county officials and indulge in practices that add to the woes of vulnerable residents.

During debate on deferral, Board Members Kristol, Karantonis, and de Ferranti—while expressing the desire to prevent displacement along Columbia Pike—called for steps to help middle-income earners. Several Board Members aligned themselves with the AHS on the issue.

[AHS continues to argue](#) that the county needs to ratchet up its support for affordability at higher income levels. It has not been clearly shown why the 80% AMI level, which is consistent with other County homeownership programs, is not a more appropriate cap for the homeownership units in the FBC.

ASF and others who spoke at the Board Meeting against the AMI and bonus density amendment ([our letter to the Board is here](#)) noted that the FBC was implemented precisely to give builders more leeway on density to help preserve affordable units where they are currently most prominent, namely along Columbia Pike.

### **Missing Middle as the Hail Mary Plan**

Due to the FBC kerfuffle, the county has now postponed one of its signature “Urban Housing Awareness Month” events, the review of its Affordable Housing

Master Plan, originally scheduled for October 22. Instead, it is putting all its chickens in the Missing Middle basket with a kick-off event planned for October 28. ASF believes upzoning, if adopted, would not ease the high cost of housing or the barriers those costs pose to our socioeconomic diversity.

The County Board and staff members assert that Missing Middle housing is not intended to produce any affordable housing, which allows them to dismiss [clear evidence that Missing Middle duplexes would not address affordability in most of Arlington](#). County staff members, while briefing board members on September 22, claimed that Missing Middle upzoning would address only the type of housing and supply and that an affordability review would require a separate effort. However, their research compendia and public promotions, including this [Missing Middle kickoff flyer](#), are laden with promises on housing costs and affordability. Staff cannot explain this disconnect. As with the complex horse-trading that obscures policies to alter AMI eligibility for affordable housing, this disconnect gives leaders cover to insist they favor racial and demographic equity while pursuing policies that contradict those values.

### **Budget Woes**

Finally, and the month is not even over yet, the [Washington Post reported October 21](#) that the county manager projects a steeper loss of revenue in the current fiscal year than was predicted in June. Thus, the county won't be able to devote as much funding to building or renovating affordable housing as in previous years (apparently not considering emergency funds needed to forestall evictions as integral to the county's affordable housing program). On the flip side, apartment vacancy rates are spiking and rents are coming down. Given the inherent instability in both in housing and the county's finances, it is clear that a pandemic is no time to be making permanent and consequential changes to our neighborhood zoning, whether it's Columbia Pike or Boulevard Manor or Lee Highway. And more service cuts are on the horizon.