

November 1, 2021

Arlington Planning Commission

Dear Commissioners:

ASF would like to I would like to bring to your attention the MM housing study, which was briefed to LRPC but does not appear to be coming to the Planning Commission before it is briefed to the Board November 16, 2021.

ASF agrees that up-zoning would deliver more overall housing units. They may be somewhat less expensive than existing single-family homes. But packing more units on the land will drive up prices for all Arlington real estate, which should not be the goal of this commission, unless there are protections for those who are being negatively affected, especially at lower income levels who will be priced out. There are not.

The Missing Middle (MM) Housing plan was introduced in December 2019 with strong hints of affordability. These are still present, especially in the presence of the Alliance for Housing Solutions as a key partner, although their mission is true affordable housing (for those at 30-60% of Area Median Income), which MM is not. In fact, Staff told the Arlington Housing Commission on October 7 that new units would not be affordable for households making less than 80% of AMI. ASF asks that you consider what that means.

80% of 2021 AMI is \$103,000. To reiterate Staff's point: these units will be outside the scope of households below that level. We don't have

corresponding 2021 numbers, but a review of the racial and ethnic breakdowns for AMI for 2020 show:

White households	-	\$134,700
African American households	-	\$58,800
Latinx households	-	\$77,700

Only one of those groups falls into MM affordability. Yet many of the Staff -- any many in commissions -- continue to view MM as a tool for righting the horrid policy of redlining. This has nothing to do with that, **it is about subsidizing -- via the irreplaceable asset of land -- homes for people earning over \$100,000 a year.** One of the housing commissioners accused ASF of being deceptive. However, we are the only group that has been dealing in hard numbers, as presented by local firm Arlington Analytics. They have shown [duplexes will not be affordable except in very few neighborhoods](#), they have shown [much of the development model results in higher fiscal burdens](#) and thus taxes, they have shown [environmental costs of missing middle development in Green Valley](#). Arlington County is not identifying the costs of future critical capital expenses that will be generated as our population increases. The claim of ASF's deception seems ironic.

The only benefit of MM housing that Staff can demonstrate is different "types" of housing. With no clear benefit of any **type** to the disabled, to most seniors, to most of our county staff, to people earning under \$100,000 year. What MM represents in reality is more incentive for builders to buy up small old homes, maybe at \$800,000, and let them build new units that will cost at least \$800,000 each, giving them an incredible yield but also ripping out the only remaining green lung we have outside our small park areas.

If ASF concedes the point of new housing being added, we'd like the commissions to ask the obvious question

like "why can't new units be built inside our Metro corridor, which has not reached maximum by-right capacity?" But we noted this is about builders. Who helped drive 2005 zoning that we bemoan as spurring teardowns. Even Housing Arlington Staff are using the teardown crisis to justify MM zoning, because new homes are very large and have driven up home costs.

So why aren't we pushing to unwind those 2005 rules, a step that would logically help ease those soaring prices? Instead, we seem destined yet again to heed developers who want to increase the yield from these lots even beyond the large home projects of today. They also argue that the luxury condos they have been building are more costly per unit to build than a townhome or 6-plex, but they could be exploring less expensive construction using C-LAM for affordable mid-rises. But it appears Arlington intends to forego these options. We will hand developers our most valuable asset, undeveloped land, that will predictably spur a NEW teardown frenzy in single family areas, even while the other one spurred by the last zoning change continues.

If we review other planning considerations, consider that in November 2019 the County Manager offered up county parks to the Acting School Superintendent to construct new schools for an already-growing population. Who will give up land for the parks we give over to schools or for the parks we need for new MM residents?

This lack of planning by the County and APS are distressing, especially given that the Community Facilities Study Group indicated in 2015 that such a Public Facilities Master Plan was critical to Arlington's future.

ASF reminds the Commission that we have yet to see where the chips will lie with new telecommuting

practices and income disparities that arose during Covid. These seismic shifts will affect our real estate markets and possibly have additional fallout on county demographics and spending for housing assistance, if approved.

Given all these concerns, the MM study makes no sense. Why not keep density inside the Metro corridor, why not protect our trees and greenspace, and why are county staff working so hard to enact policy that will help almost exclusively white residents who make up the bulk of our homeowners (profiting from both existing home sales and benefiting from the new "affordability" parameters of the new units? Let's instead put the brakes on a plan that IS ESSENTIALLY a POLICY DESIGNED TO HELP VERY WEALTHY PEOPLE BUY HOMES. And let's use that time -- should we even decide that MM makes sense at some point -- to take four specific steps:

1. Perform site-specific **fiscal impact analyses** for new, multi-unit residential projects
2. Release all existing long-term **operating budget forecasts**;
3. Prepare three **county forecasts comparing current zoning with up-zoning**:
 - Long-term operating budget**;
 - Long-term **environmental impact**;
 - Long-term **household income by quintiles** showing projected disparities among different household groups compared to national average.
4. Review the results of up-zoning in Minneapolis in 2019.

Thank you for your consideration.

Sincerely,

Arlingtonians for Our
Sustainable Future