Draft Fair Housing Plan

Overview

Safe and stable housing supports physical, financial and emotional health. Housing choice and affordability provide residents with stability and opportunity, and the neighborhoods in which people live have a significant impact on outcomes related to education, health, and even life expectancy. Arlington County is committed to producing and preserving affordable housing that meets the needs of its residents. While the County is investing considerable resources into developing and supporting affordable housing and the residents who benefit, many residents are still paying a greater share of their income on housing, and low-income residents are increasingly feeling the threat of displacement.

Long-standing systematic disparities in housing policies and programs continue to perpetuate unequal access to housing choice and affordability, including the continuing impacts of redlining policies and zoning that limits housing choice. Single-family zoning regulations have perpetuated historical patterns of segregation. As the norms of the American family are shifting, it is apparent that single-family housing is less viable, increasingly unaffordable, and not achieving fairness and inclusion. Intentional and strategic discussions about barriers and solutions are necessary in order to tackle these complex problems.

"Under the Housing and Community Development Act of 1974, local jurisdictions are expected to affirmatively further fair housing, including taking significant actions to overcome historic patterns of segregation, achieving truly balanced and integrated living patterns, promoting fair housing choice, and fostering inclusive communities that are free from discrimination."

In addition to its federal requirements, Arlington County has affirmed a strong commitment toward reducing disparities and increasing equity in its policies. Recent efforts include the following:

- County Board Racial Equity Resolution
- Destination 2027, a plan to achieve health equity
- Missing Middle Housing Study.

This effort will provide additional policy goals intended to ensure housing equity for Arlington residents. There are three components to Arlington's fair housing planning:
- Analysis of Impediments to Fair Housing
- Community engagement
- Fair Housing Plan.

Analysis of Impediments to Fair Housing

The Analysis of Impediments to Fair Housing Choice (AI) is the first step in creating a Fair Housing Plan. This policy is developed as part of Arlington's Five Year Consolidated Plan, which

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provides the strategic framework for housing and community development goals, particularly related to the use of U.S. Department of Housing and Urban Development (HUD) funding, such as Community Development Block Grant, HOME Investment Partnerships funding, and Emergency Solutions Grants.

The AI is a review of demographic data, metrics of discrimination and disparity, and local regulations and administrative policies, procedures, and practices that affect the location, availability, and accessibility of housing. It also assesses the conditions, both public and private, that affect fair housing choice. The complete AI is available here; a summary of findings is on the following pages.

The AI, along with community engagement to ensure that that the experiences and perspectives of community members inform development of policies, will result in the establishment of measurable fair housing goals and priorities: the Fair Housing Plan.

In addition to conducting its own analysis, Arlington has joined with other local governments and Public Housing Authority partners in metropolitan Washington to collaborate on a Regional Analysis of Impediments. Regional leaders recognize that cooperation is key to reversing years of racial segregation and disinvestment. The Washington local jurisdictions will evaluate their data within a larger geographical context, demonstrating that housing markets and jurisdictional borders do not always neatly correspond.

Under federal and state law and/or local ordinance, members of the following classes are protected from housing discrimination: race, color, religion, sex, national origin, elderliness, marital status, familial status, disability (physical or mental), source of funds, veteran status, sexual orientation or gender identity. People who are protected from discrimination by fair housing laws are referred to as "members of the protected classes." The AI analysis is conducted under this lens.

"In Arlington, members of the following classes are protected from housing discrimination: race, color, religion, sex, national origin, elderliness, marital status, familial status, disability (physical or mental), source of funds, veteran status, sexual orientation or gender identity."

Demographic Overview

Arlington County's population has grown steadily between 2000 and 2017. The population grew by 10% between 2000 and 2010, and by 11% between 2010 and 2017. [1] Ethnic diversity has remained relatively stable, and the non-White portion of the population has decreased by less than 1% between 2010 and 2017 to 28.51% in 2017. Arlington County's foreign-born residents have generally lower levels of educational attainment than native-born residents and have significantly lower household income on average. 5.6% of the population has a disability. For elderly residents,

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[1] Data sources: American Community Service 2013-2017, Arlington County Homeless Management Information System

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the disability rate is 27.8%. The most common disability type is ambulatory. The poverty rate for persons with disabilities is 9.6 percentage points above that of persons without disabilities.

There are 21,493 households with children in Arlington County, accounting for 21% of all households. Among these households, 20% are single-parent households. Single mothers earn an average of $46,979 versus $189,385 for two-parent homes. Residents of Arlington County tend to have much higher incomes than most Americans; however, there are significant income and poverty rate disparities for members of the protected classes. For example, Black adults were substantially overrepresented among the homeless population, comprising 69% of homeless individuals while making up only 9% of the general population. Roughly 56% of housing units in Arlington County are renter-occupied. Non-White households are much less likely to own their homes.

Housing and Neighborhood Overview

Cost burden is the most prevalent housing problem, impacting more than 95% of renters and owners with housing problems in Arlington County. Among low- and moderate-income households, all racial/ethnic groups are significantly affected by cost burden. Owners fare only slightly better than renters in that the range of housing problems among owners is between 71.3% and 78.8%, whereas for renters it is 80.7% to 90.6%. Among all income groups, the racial/ethnic groups with disproportionate housing needs are Black homeowners and renters, and Hispanic homeowners and renters.

Black and Hispanic residents are more likely to live in areas with lower performing schools, which, over time, contributes to lower labor engagement scores. There were relatively few housing complaints received in Arlington County from 2015 through June 2019: 21 complaints for an average of 4.6 complaints per year. The two primary bases of complaint were disability (14) and race (7) with the primary allegation being failure to accommodate. Most complaints resulted in a no cause finding. Non-White applicants were denied mortgages at nearly 2.5 times the rate of White applicants; Hispanic applicants were denied at over twice the rate as White applicants.

Racially/Ethnically Concentrated Areas of Poverty and Opportunity Index

Another component of the AI is an examination of areas that have racially and ethnically concentrated areas of poverty (R/ECAPs). The HUD definition is "an area with a Non-White population of at least 50% and a poverty rate that exceeds either 40%- or 3 times the average rate for the metropolitan statistical area (MSA)." There are no census tracts in Arlington that meet this definition because of the relatively low poverty rate in the County.

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2019 Analyis of Impediments to Fair Housing Choice - Arlington County, VA

Civic Associations
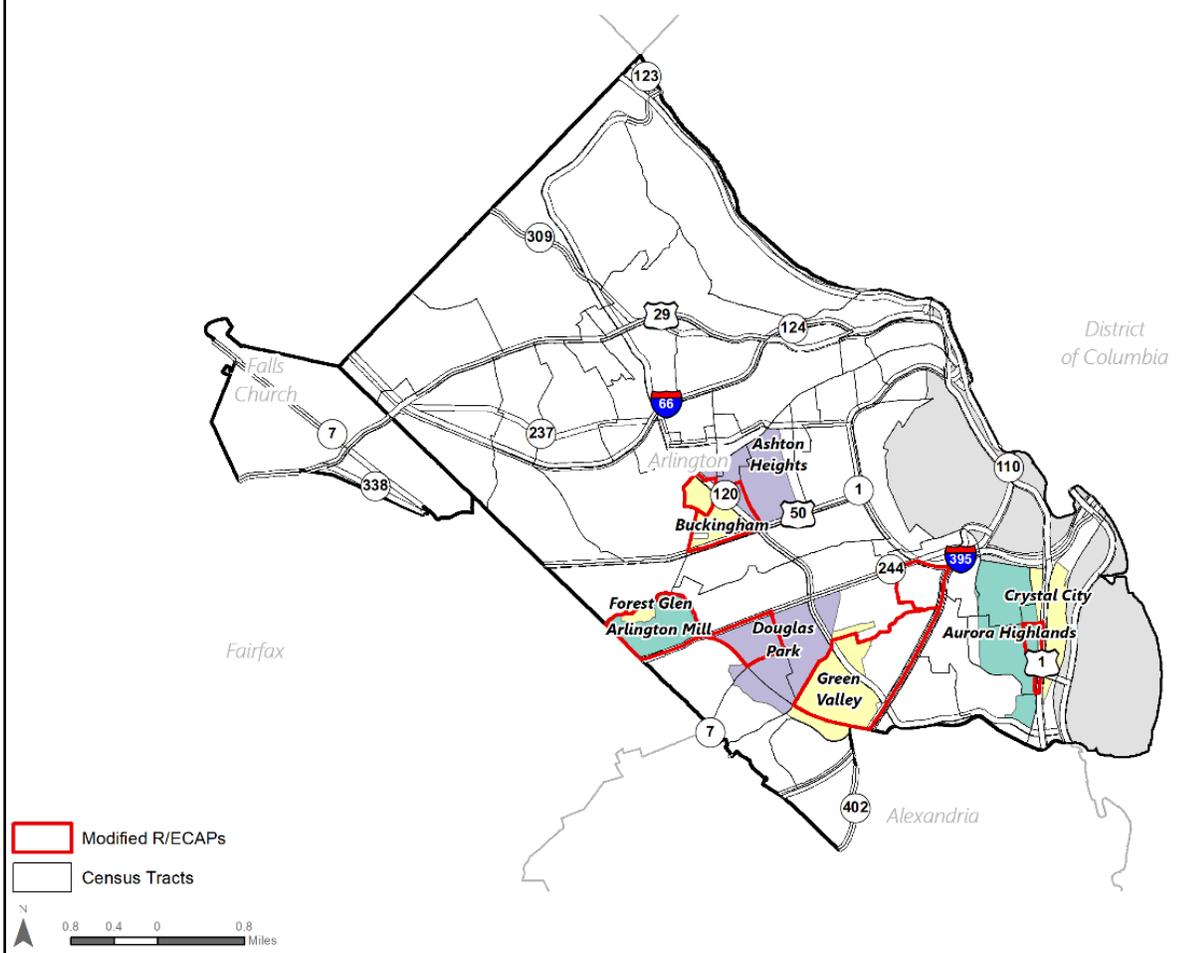
However, in order to ensure that relative concentrations of poverty were not overlooked, staff identified a Modified R/ECAP definition: "a non-white population of 46.34% or higher, and a poverty rate of least 15.17%." Using this definition, seven areas in the County were identified: in Buckingham, the western end of Columbia Pike, along the north side of I-395, and along the west side of Richmond Highway, as seen on map.

The Opportunity Index is a comparison of census tracts within the County in which greater access to opportunities are available. This tool was available as part of the HUD Assessment of Fair Housing, and still contains useful data on a variety of neighborhood-based indices.

Opportunity Indices include:
o Education
o Jobs Proximity
o Labor Force Engagement Transit Trips
o Transit Cost
o Low Poverty Neighborhoods and
o Environmentally Healthy Neighborhoods.

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In general, Modified R/ECAPs score high in Jobs Proximity, Transit Trips and Transit Affordability and low in the Education, Labor Market Engagement, and Low Poverty Indices. This indicates that even with access to jobs and reliable, affordable transportation, residents of Modified R/ECAPs tend to fare worse overall than their counterparts residing outside of Modified R/ECAPs.

Policy Overview

Arlington County planning and policies are guided by its Comprehensive Plan, which contains eleven elements including land use, transportation, and the Affordable Housing Master Plan (AHMP). Numerous policies and programs support Arlington's AHMP goals:
1. Having an adequate supply of housing for the community's needs;
2. Ensuring that all segments of the community have access to housing; and
3. Ensuring that housing efforts contribute to a sustainable community.

For example, Arlington has used land use tools and direct financing to create or preserve more than 8,000 committed affordable units, with the goal of achieving sufficient affordable rental stock to meet the needs of its residents by 2040. The County carefully tracks the location of these investments to ensure geographic distribution.

More information on Arlington's housing efforts can be found on the County's website:
- AHMP annual reports;
- Continuum of Care reports;
- Consolidated Annual Performance and Evaluation Reports (CAPERs)
- Fair housing testing reports.

As part of the AI analysis, several issues were identified for further policy analysis and consideration:
- There is a limit placed on the number of unrelated persons that can live together. This can limit housing options for households that have multiple unrelated roommates; and was identified as a potential strategy for increasing housing options in the AHMP.
- The majority of land area is zoned for single-family units, which can limit the ability to create affordable units. Arlington County has recently launched a Missing Middle Study, which will explore how new housing types could help address Arlington's shortfall in housing supply and gaps in housing choices.

Community Engagement

While data analysis and reports are important inputs in developing fair housing strategies, another key component is to engage community members to ensure that actual experiences are included in policy discussions and recommendations.

In fall 2019, two separate workshops were held, one for tenants and one for landlords, to solicit feedback on fair housing concerns. Meeting materials and summaries of the two meetings can be found on the Housing Matters webpage.

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With the publication of this draft document, the following engagement schedule is planned:

- Fall 2020 – Gather input on draft AI and Fair Housing Plan
- Winter 2020 to Spring 2021 – Review draft with stakeholders
- Spring 2021 – Revise draft AI and Fair Housing Plan based on community input
- May 2021 – Submit to HUD
- Late 2021 – Complete Regional Analysis of Impediments.

For more information about engagement opportunities, visit the Consolidated Plan webpage.

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Fair Housing Plan

Goal: Preserve and increase housing affordability throughout Arlington County

1. **Increase production of Committed Affordable Units**
   The County will continue to use its federal and local resources to increase the availability of new and existing affordable units in the County in both Modified R/ECAPs and high opportunity areas outside of the Modified R/ECAPs. Despite the significant efforts of Arlington County to add many units of affordable housing, the demand for affordable units in a range of sizes continues to exceed the supply as housing costs climb and wages fail to keep pace. This goal will help members of the protected classes - including non-White, elderly, persons with disabilities, and persons with limited English proficiency - who generally have lower incomes than the rest of the population and therefore depend more heavily on the availability of affordable housing.

2. **Continue to encourage developers to exceed the required number of affordable, accessible units in a range of sizes and types when new development occurs.**
   Currently, when new construction occurs, there are typically more accessible units developed than is required by law. Despite these efforts, demand for affordable, accessible housing exceeds supply. Persons with disabilities are more likely to live below the poverty line than persons without disabilities. The most frequent type of disability reported among persons aged 18 and older was an ambulatory disability, meaning having difficulty moving from place to place. Persons with ambulatory disabilities, which includes 6,760 adult residents, often require housing with accessibility features. It is therefore recommended that Arlington County continue to support and encourage the development of accessible units in a range of sizes in numbers that exceed what is required by law. Look at enhancing the process to market accessible units so that these units can be matched with those that need them. Arlington will continue to support the construction of Permanent Supportive Housing units in committed affordable housing developments with the necessary support services.

> **What is Affordable Housing?**
>
> In Arlington, there are two types of units that are considered "affordable housing:"
>
> **Committed Affordable Units (CAFs):** These units are guaranteed by agreement with the federal, state, or county government, or through mechanisms such as tax-exempt financing, to remain affordable to low- and moderate-income households for a specified period of time, generally 30 to 60 years. Rents in most cases are affordable to households earning 60% or less of the Area Median Income.
>
> **Market-Rate Affordable Units (MARKs):** These units are owned by the private market and are naturally affordable to low- and moderate-income households because of location, amenities or other reasons. Affordability fluctuates with factors impacting housing market conditions, including employment trends, economic stability and basic supply and demand, and is increasingly at risk of disappearing.
>
> These housing types often don't meet the needs of the lowest income households, who often need additional assistance through Housing Grants, Housing Choice Vouchers, or other supports.

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3. **Continue to fund the Housing Grant program to allow income-qualified households to gain access to affordable housing and/or access higher opportunity areas.**
Currently, over 1,200 households are assisted annually through the Housing Grant program, making more units affordable to income-qualified households. Given the high cost of housing and increasing poverty rates for nearly all groups including those with at least a college degree, continuing the Housing Grant program is critical for cost-burdened households and it is recommended that Arlington County continue with this important program and periodically examine strategies to improve effectiveness

4. **Consider new land use and housing policies to expand the supply of missing middle housing in forms limited or non-existent in Arlington's current housing stock.**
Arlington County is largely built up and has little developable land remaining. What little land does remain is expensive and makes development of affordable units cost prohibitive. There is more multi-family housing along major roadways but that density falls off quickly as one moves away from the main roadway. Arlington has launched a Missing Middle Housing Study that will investigate the possible role of missing middle housing in increasing Arlington County's housing supply and diversifying its range of housing choices. The Missing Middle Housing Study is envisioned in three phases:
   - **Phase 1** – Developing a common understanding of Arlington's housing challenges and community priorities;
   - **Phase 2** – Focused study of housing types that address the County's housing shortage and limited range of housing options;
   - **Phase 3** – Consideration of how to implement the conclusions of the previous phases, possibly leading to recommendations to amend the Zoning Ordinance, the Comprehensive Plan, and other policies and work programs.
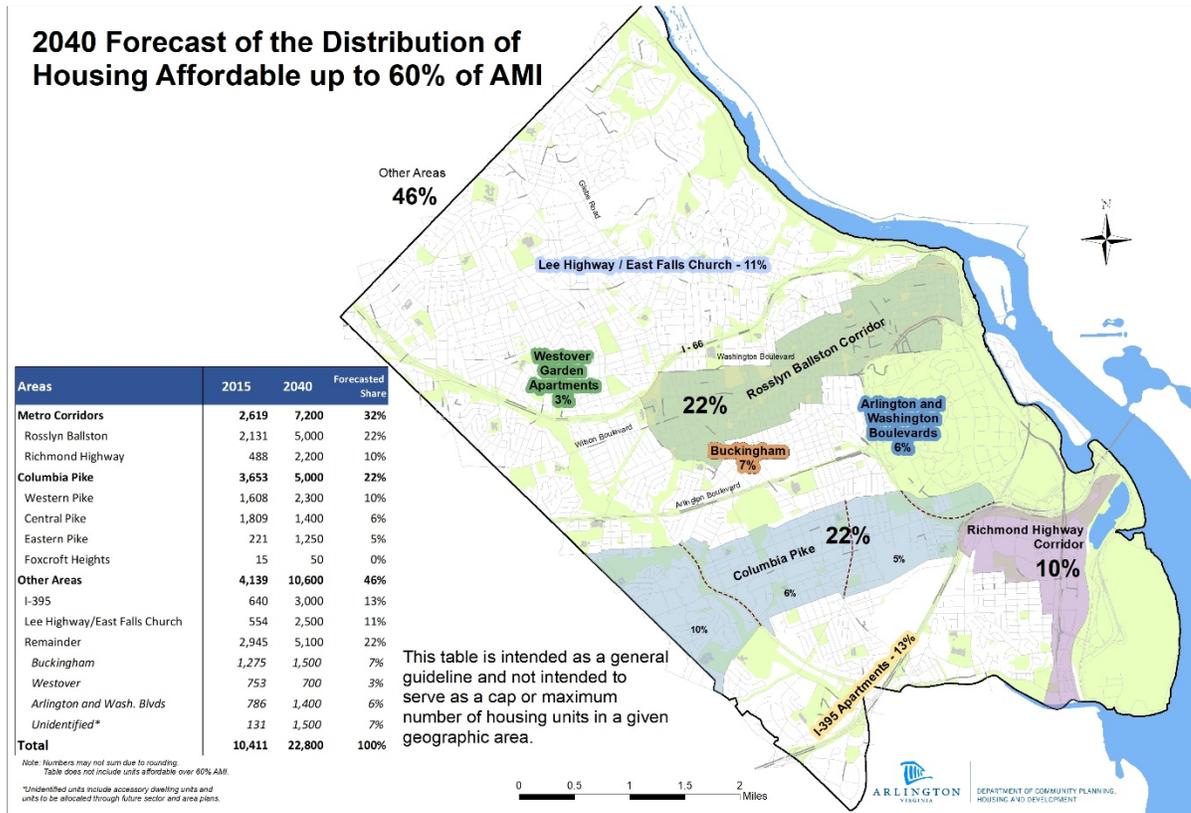
Goal: Revise existing internal policies/procedures and establish new ones to further fair housing.

1. **Examine the effectiveness of the geographic distribution goal in the Affordable Housing Master Plan and the implementation of that policy in the Affordable Housing Investment Fund (AHIF) Notice of Funding Availability (NOFA) process.**
The existing AHIF policy affirmatively furthers fair housing choice by having the goal of not further concentrating low- and moderate-income households. The current NOFA criteria for AHIF investment includes a Geographic Distribution category. Projects located within census tracts that are above the average poverty rate receive less points than those that are at or below the average poverty rate. Projects located in census tracts at 3x or above the average poverty rate receive zero points in that category, thereby lowering their overall score and competitiveness for funds. Given the low poverty rate of Arlington County as a whole, there are currently no census tracts at 3x and above the average poverty

rate. It is recommended to examine the existing policy to possibly include areas identified as Modified R/ECAPs.

2040 Forecast of the Distribution of Housing Affordable up to 60% of AMI

Areas	2015	2040	Forecasted Share
Metro Corridors	**2,619**	**7,200**	**32%**
Rosslyn Ballston	2,131	5,000	22%
Richmond Highway	488	2,200	10%
Columbia Pike	**3,653**	**5,000**	**22%**
Western Pike	1,608	2,300	10%
Central Pike	1,809	1,400	6%
Eastern Pike	221	1,250	5%
Foxcroft Heights	15	50	0%
Other Areas	**4,139**	**10,600**	**46%**
I-395	640	3,000	13%
Lee Highway/East Falls Church	554	2,500	11%
Remainder	2,945	5,100	22%
Buckingham	*1,275*	*1,500*	*7%*
Westover	*753*	*700*	*3%*
Arlington and Wash. Blvds	*786*	*1,400*	*6%*
*Unidentified**	*131*	*1,500*	*7%*
Total	**10,411**	**22,800**	**100%**

Note: Numbers may not sum due to rounding.
Table does not include units affordable over 60% AMI.

*Unidentified units include accessory dwelling units and units to be allocated through future sector and area plans.

This table is intended as a general guideline and not intended to serve as a cap or maximum number of housing units in a given geographic area.

2. **Revise the zoning ordinance to eliminate or change the restrictions on the number of unrelated persons residing in one unit.**
   Under the current Zoning Ordinance, up to four persons not related by blood, marriage or adoption can reside in one unit. There has been a rise in the number of non-traditional households living together for socioeconomic reasons such as pooling resources to find affordable housing near good schools or job centers. It is recommended to amend the Zoning Ordinance to be more inclusive of non-traditional households.

3. **Review and, if necessary, revise policy documents related to housing plans for persons being released from institutional settings**.
   Research has shown and stakeholders reported that non-White persons are exposed to and make contact with institutional settings such as the criminal justice system in disproportionate numbers. Also, persons of color are disproportionately represented among persons experiencing homelessness. The data available for this AI indicated that among persons exiting institutional settings who experienced homelessness, 80% of individuals were exiting a correctional facility or substance abuse treatment center. Therefore, it is recommended to review and, if necessary, revise housing plan policies for persons being released from institutional settings to identify persons who are more at risk of homelessness once re-entering the community.

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Goal: Strengthen fair housing investigation, enforcement, and outreach.

1. **Provide education and outreach to elected and appointed officials and those responsible for making housing and housing-related decisions**.
   Educate elected and appointed decision-makers about fair housing laws as they relate to expanding housing choice for members of the protected classes. In addition to education, work to diversify Commissions with representation from marginalized communities.

2. **Provide education and outreach to potential homebuyers about fair housing laws and, using HUD-certified trainers, homebuyer education/credit repair education.**
   AI analysis indicates that non-White applicants are more likely to be denied for mortgages than White applicants. Based on the available data, it is unclear whether denial rates are based solely on income and/or credit scores or if discrimination is taking place. However, to the extent that denials are related to having lower incomes and lower credit scores, these issues disproportionately affect members of the protected classes. It is recommended to provide homebuyer education classes by HUD-certified providers and credit repair education to interested persons such that households have greater opportunities to become homeowners should they choose. Additionally, given that many landlords conduct credit checks and/or require a security deposit, credit repair and financial literacy classes can potentially create more options for households seeking a new rental unit.

3. **Continue to conduct fair housing testing in the rental market.**
   Testing is a method to determine whether or not a home seeker is treated differently in his or her search for housing. Examine complaint data to possibly look at expanding the testing to other protected classes such as disability. In the past, the testing has focused on national origin and race.

4. **Reduce individual barriers to access to housing.**
   Provide financial literacy, credit repair counseling and other housing related education. Work with landlords to lessen restrictions for persons with leasing barriers. Promote and/or incentivize tools such as the Arlington Landlord Partnership.

5. **Reduce language barriers when seeking housing services.**
   Ensure that marketing materials for County funded programs about available affordable units are available in specific languages based on consumer needs. Increase collaboration with partners to facilitate education of residents in the most prevalent non-English languages.

6. **Increase education of fair housing rights**
   Conduct education through workshops, individual technical assistance, and other educational events.