SHARED PROSPERITY: AFFORDABLE HOUSING

HOUSING GOAL: Over the next 5 years, an additional 1500 households with incomes at or below 30% AMI have found housing in Arlington that is affordable to them. County funding and private sector investments will be combined to achieve this goal.

Strategy A: Bricks and Mortar Buy-Down in New Construction

Create 200 additional affordable housing units dedicated to those making 30% of AMI with philanthropic investment of $4.8M annually beyond Arlington's AHIF investments. ($24M over 5 years)

Arlington has approximately 9,000 households living on 30% or less of our area median income (AMI). Yet, affordable housing targets in Arlington are almost exclusively based on creating affordability for those making 50-60% of AMI. **There are no market rate apartments in Arlington priced for those making 30% AMI; and only 5 committed affordable units are available at 30% AMI that are not in the permanent supported housing or senior programs.** 32 others are approved and in the pipeline, and there are just over 200 units in HUD contracts that could also serve this population. It currently costs roughly $120,000 per unit to get from 60% AMI to 30% AMI affordability.

Strategy B: Create a New Rental Subsidy Fund

Beginning in FY 2020, provide $4M annually in a new non-governmental rental subsidy program for 500 households ($20M over 5 years)

Because demand for housing at lower rent levels far exceeds supply, units pegged for 60% and above are being filled with much lower-income households. These residents stretch to pay the rents expected on 60% AMI units. This new private fund would be designed to bring additional existing units in both affordable and market rate complexes into the reach of more renters living at 30% AMI. This fund is envisioned to be more flexible for applicants than the County program, open to those who are undocumented, and of interest to for-profit owners who have been somewhat leery of participating with the County due to a perception of onerous requirements. The average annual housing grant today is $8,148. Only about one-third of the 9,000 households living at 30% AMI are currently receiving some form of housing assistance.

Strategy C: Create a More Robust 'Emergency Housing Stabilization Fund'

Beginning in FY 2020, strengthen Arlington's housing safety net, prevent homelessness and create a longer runway to stabilization for 250-500 of our lowest income households by providing $500,000 per year in additional emergency funding. (2.5M over 5 years)

Working low-income households are often just one crisis (e.g. illness, car repair, loss of childcare or a job) away from homelessness. Renters have limited access to $500 of emergency rental assistance funding and up to $250 of utility expense funding based on County referral to Arlington Thrive. The average emergency rental assistance amount in 2018 was $358 to 495 households; and 226 households received an average of $174 in utility assistance. Caps on assistance amounts and the very short-term nature of these supports are often not enough to allow for stabilizing steps to be taken when households are in crisis. This additional funding would give residents a more realistic runway to pay a delinquent balance or meet an unexpected expense and create a near-term financial plan to recover from the crisis.

SHARED PROSPERITY: CHILD CARE

CHILD CARE GOAL: Over the next five years, an additional 1,000 children from low-income families will have access to quality child care programs.

STRATEGY A: Create a New Child Care Scholarship Fund

Create 200 philanthropically-funded childcare scholarships with an investment of $2.7M annually

Recent studies show that child care costs for two children can account for up to 38% of Arlington's $121,000 median income. In 2019, nearly 2,600 children live in families whose income is $36,000 or below. Currently, 196 children from low-income families are receiving a government subsidy through Arlington County. The average subsidy is $13,700 annually. $2.7 million would provide 200 scholarships at the $13,700 level annually.

STRATEGY B: Support Affordable Rent for Child Care Centers

Reduce on-going rent to $35 a square foot for 10 child care centers near transit (resulting in lowered tuition) with an investment of $600,000 annually

To operate at optimal efficiency, a center requires between 6,000-12,000 square feet of usable ground floor space to serve 50-170 children. Annual rent at $45/sf for a 6,000 sf center is $270,000. Reducing rent to $35/sf results in a rent savings of $60,000. Avoiding that cost could allow an annual tuition reduction of $600/per slot in a 100-child program or $1200/per child in a 50-child program. Large tenants could partner with building owners to accept slightly higher per square foot costs for their space to support a lower rent, and lower tuition, for a child care center in the building.

STRATEGY C: Create a Tenant Buildout Grant Fund for Child Care Centers

Provide tenant buildout grants for up to 20 child care centers with an investment of $9M

Overall improvement costs to renovate a 6,000 sq.ft space into a center may range between $600,000 and $1,200,000. Typically the operator's responsibility for buildout would be between $300,000 and $600,000. Creating a fund to cover these costs would allow centers to avoid commercial loans and reduce their on-going financing costs, freeing dollars to reduce tuition.

SHARED PROSPERITY: WORKFORCE / WAGES

WORKFORCE/WAGE GOALS: Within 5 years, only 10% of Arlington's jobs pay wages below $15 an hour for regularly scheduled full time work. Five new training pathways are created to connect low-income residents to existing jobs in Arlington.

STRATEGY A: Connect workforce training to business-specific hiring commitments

Add 5 community workforce training programs that match specific business or community needs AND have full-time hiring commitments upon completion.

Large businesses can partner with the Arlington Employment Center and other community organizations to sponsor workforce training programs to prepare and connect lower-income Arlingtonians to good jobs in our community.

STRATEGY B: Pilot living wage requirements for cleaning (or other) contractors

Create an Arlington-specific voluntary living wage agreement among large Arlington businesses for outsourced cleaning or other low-skilled services contracts.

Our vision is for a group of large Arlington businesses to require cleaning contractors to pay living wages and provide wage stability. Using recent work at MWAA as a guide, labor and business can come together to develop voluntary agreements that would cover a variety of low-skilled workers under contract.

STRATEGY C: Leverage procurement to drive competition and increase wages

Identify 3-5 procurement practices or contracting opportunities among Arlington's government and large businesses that could be leveraged, due to their size in the market, to include living wages, wage stability and health benefits as core requirements.

SHARED PROSPERITY: POLICY CHANGES

HOUSING: Update State Statute Governing Inclusionary Zoning and In-Lieu-Of Payments

Build a cross-sector advocacy plan that targets 2021 General Assembly action to update the 2006 state statute governing developer participation in affordable housing production in Arlington

State statutes governing both on-site and payment-in-lieu of onsite units in Arlington have not been updated since 2006. In the ensuing years, much has changed in housing production practices and markets. In addition, the General Assembly's willingness to support affordable housing production, as demonstrated through the creation and funding of the Virginia Housing Trust Fund, has increased. Recent research shows that, even with indexing to the Housing Consumer Price Index, the current levels of development-contributions to affordable housing in Arlington are significantly below those being achieved by other localities in the region. Updates to the statute would potentially lead to the creation of more on-site units and/or increased contributions to the County's AHIF fund. Business advocacy to build support for this update is critical.

CHILDCARE A: Decrease child care center rent in existing buildings to increase affordability for families

Examine tools, strategies and/or tax incentives that could be used to create affordable community-serving ground floor space in commercial buildings

The Child Care Implementation Plan identifies the need to look at tax incentives and other strategies as potential offsets to lower child care center rent in existing buildings. Business leaders are needed to join the County in this policy work.

CHILDCARE B: Add child care as an allowable community facility eligible for bonus density in new construction.

Work collaboratively on adjustments that could be made to current bonus density practices to support affordable community-serving ground floor spaces on commercial corridors

The Child Care Implementation Plan identifies the need to look at bonus density and other strategies as potential offsets to lower child care (or health care) center rent in new construction. Business leaders are needed to join the County in this policy work.