Income Averaging supports the local economy by ensuring lower-paid essential workers can continue to live in Arlington affordably.

- Many essential workers in Arlington (e.g. childcare, food prep, cleaning, health care aides) earn less than 30% of our Area Median Income (AMI), which is $42,690 for a family of four.

- Since 1981, the federal government has defined a household as cost burdened if it spends more than 30% of its income on housing.

- Committed affordable apartments (CAFs), where rent is tied to 60% AMI, are unaffordable to those making less than 60% AMI.

- As of 2020, more than 8,000 households lived in Arlington on 30% AMI or less; only 1,585 apartments were affordable to them.

- In addition, multiple-person households earning 40-80% AMI struggle to make ends meet, especially if one or more preschool-aged child is in the household.

Income averaging advances Arlington’s diversity and stability, and can enhance quality of life for all.

- For decades, Arlington’s success has been linked to its multi-cultural community made up of recent arrivals (both international and domestic) and long-time residents.

- Households that are secure in their housing have time to add their diverse voices and perspectives to community conversations and decision-making.
• Students who are stably housed do better in school.

• Deeply affordable housing options are needed to ensure older adults, persons with disabilities, people experiencing housing insecurity have stable homes in the community.

• Providing a range of committed affordability in a development or corridor means that low-income households do not need to leave Arlington if their life circumstances change.

**Income Averaging creates 30% AMI homes without any additional investment.**

• Arlington’s County Board has for decades invested in creating Committed Affordable housing (CAFs) almost exclusively targeted at 60% AMI.

• Income averaging supports mixed-income communities that serve a wider range of household needs, while still maintaining an average of 60% AMI at the property.

• Buying down affordability to 30% AMI eliminates any need for Housing Grant support for that unit for up to 30 years. Currently housing grants for 30% AMI households are approximately $10,000 annually.

• If households earning 30% AMI or below could be served by an income-averaged unit, scarce rental assistance (such as Housing Grants) could be freed up for those with marginally higher incomes or who are not living in committed-affordable units.