DRAFT
Resolution of the Arlington County Board

WITH RESPECT TO THE USE OF HOUSING COOPERATIVES AND OTHER FORMS OF TENANT OWNERSHIP IN MEETING THE COUNTY’S AFFORDABLE HOUSING CRISIS AND STEMMING THE DISPLACEMENT OF ITS CURRENT LOW- AND MODERATE-INCOME HOUSEHOLDS

WHEREAS, Arlington is committed to maintaining a sustainable, economically diverse community;

WHEREAS, some unintended consequences of intense economic development have moved the County's affordable housing situation from "crisis" in the late 1990s to "catastrophe" in 2005, including:

(1) The loss of 9,300 of 19,700 market affordable rental units in the County (47%) in the four years between 2000 and 2004;

(2) Homeownership in the County in 2004 is down to 45.3%, compared to a national average of more than 67%; the 2004 average County homeowner's assessed value at $458,200; and, the County’s average rent at $1,270, both far above the thresholds for residents at or below 60% of the median family income; and

(3) The increasing difficulty for persons and households earning below as much as 80% of the area median income, including those persons needed in our public and private sector labor markets, to find housing affordable at those incomes in Arlington, forcing them to commute long distances, and causing an increase in traffic congestion and air pollution, and decreasing their quality of life;

WHEREAS, the County vision of being "a diverse and inclusive world-class urban community with secure, attractive residential and commercial neighborhoods where people unite to form a caring, learning, participating, sustainable community in which each person is important" is being threatened to its very core by these unintended consequences of the economic and development success of the private market economy, at a faster pace than can be rectified solely by the public sector in addressing affordable housing issues;

WHEREAS, the County Board is committed to achieve its adopted vision and to stem the tide in the catastrophic loss of affordable housing in the County, and its attendant loss of employees needed in the economy and by the government, including the establishment of community affordable housing goals and targets, tools to meet those goals and targets, and financing and financial assistance mechanisms;

WHEREAS, the County Board is further committed to pursuing additional, creative, and innovative tools and resources to preserve and create affordable housing while enhancing value to the County overall; and,
WHEREAS, tenant-sponsored condominiums and cooperative housing initiatives have been employed successfully in cities across the United States and in many countries overseas as a means to provide safe, decent, and long-term equitable housing for low- and moderate-income populations;

NOW, THEREFORE, BE IT RESOLVED, that the County Board:

A) Supports and encourages the creation of homeownership opportunities affordable for tenants of its existing rental properties through the creation of cooperative housing conversions, tenant-sponsored condominiums, and through the new construction of such condominium and cooperative housing units that will serve diverse populations in the County;

B) Shall work with partners in the financing, development, and nonprofit sectors with expertise in developing housing cooperatives, so as to strengthen and protect communities by preventing resident displacement, and provide these households an equity investment in the Arlington community, further encouraging their participation in County affairs and stabilizing families and neighborhoods;

C) Directs the County Manager to pursue both market-rate and limited-equity housing cooperatives as additional, valuable tools in the preservation of existing buildings and communities, and the creation of affordable home ownership opportunities that permit long-term affordability to successive purchasing households; and,

D) Further directs the County Manager to:

1) Identify publicly- or privately-owned land which could be purchased and/or leased to create housing cooperatives;

2) Identify rental properties that are "at risk" of being lost to the market affordable housing stock and enter into discussions with such owners about working with the County and their own tenants to develop housing cooperatives;

3) Explore and develop a set of incentives (in areas such as zoning, the provision of increased density, and tax abatement or relief) that would encourage property owners to consider housing cooperatives in their preservation and/or redevelopment plans; and

4) Explore, revise and create as needed the County's Affordable Housing Investment Fund (AHIF), Moderate Income Purchase Assistance Program (MIPAP), tax relief and homestead exemption programs, and other financing mechanisms that encourage and facilitate the development of housing cooperatives.