

## SUMMARY OF HOUSING PROGRAMS

In keeping with its vision for a diverse and inclusive community, Arlington County supports a variety of housing programs to ensure a range of housing choices for households of all types and income levels. This section pulls information about housing programs throughout the budget and consolidates summary information on all housing programs in one place. The Funding Summary shows that approximately \$59.1 million in funding is being allocated for FY 2018 programs to preserve affordable housing and assist persons to meet their housing needs. Local tax dollar support for these programs totals \$37.8 million, or 5.1 percent of County government operations (General Fund excluding Schools transfer). These figures do not include additional funds outside the County budget that contribute to the affordable housing effort (noted throughout this section).

Although a sizeable amount, indications are that Arlington continues to experience losses in its market rate affordable housing units, due to redevelopment and increased rents. And County residents continue to struggle to meet rising housing costs, especially in difficult economic times.

All of these housing programs are part of a comprehensive County effort to preserve and enhance affordable housing, governed by Arlington's Affordable Housing Principles and Goals. Affordable housing has for many years been a budget priority and the different County programs target different aspects of the housing challenge, ranging from rental assistance to acquisition of committed affordable housing to homeownership to code enforcement and tenant assistance. The summary provides the Housing Goals addressed, multi-year budgeted expenditures and funding sources for each program included in this section. FY 2018 reflects a recent reorganization of Housing staff in the Department of Community Planning, Housing and Development. Therefore, several housing categories were consolidated in order to better reflect overall programs rather than individual activities that these programs support. More detail on each program can be found in the appropriate sections of the budget.

Pressures on the supply of market-rate affordable housing units continue to grow, primarily due to rent increases. In addition, projected development in the Rosslyn-Ballston, Jefferson Davis and Columbia Pike corridors will make it even more critical for the County to be strategic in allocating resources.

Beginning in FY 2013, the County began a three-year affordable housing study to create a shared community vision of Arlington's affordable housing as a key component of our community sustainability. The components of this study included community engagement; a housing needs survey; an assessment of current program approaches to housing needs in Arlington; a review of best practices from other areas; and an evaluation of current adopted principles, goals, and targets with revision of existing ones and/or additions. These new and revised principles, goals, targets, and strategies will provide the basis for an Affordable Housing Element of Arlington's Comprehensive Plan that reflects the current and future population as well as the housing market.

Over the course of the study, community engagement activities provided opportunities for outreach, information gathering and sharing, and education about affordable housing programs, especially engaging traditionally less involved populations such as low-income residents, persons with limited English proficiency, and workers who do not live in the County. A working group comprised of the representatives of several advisory commissions and other key stakeholder groups was appointed by the County Manager; this working group advised County staff throughout the Study process and provided input into process implementation and recommendations.

In addition to the progress made with the affordable housing study, significant investments in FY 2018 to various housing programs include:

- 1) Arlington's Affordable Housing Investment Fund (AHIF) is funded at a level of \$13.72 million, of which, \$7.0 million is one-time funding from the FY 2016 closeout process and an additional \$2.2 million in one-time funding added by the County Manager in the FY 2018 Proposed Budget.
- 2) A full-year of operational costs for the Comprehensive Homeless Services Center (\$1,487,143) is included in the proposed FY 2018 budget. The center opened in early FY 2016 and provides a year-round shelter with comprehensive services to move homeless persons to permanent housing and also support additional County office space.
- 3) The Housing Grant Program in FY 2018 includes \$7,553,755 in ongoing funding and \$1,600,000 in one-time funding. This budget includes \$1,000,000 in additional ongoing funding for housing grants, funded through a reallocation within DHS. Total funding for housing grants decreases \$524,000 over FY 2017, but is funded at a level expected to meet demand for service. Total funding for FY 2018 is \$9,153,755.
- 4) The FY 2018 proposed budget includes a total of \$2.5 million to support the Mary Marshall Assisted Living Residence which opened in November, 2011. This 52-bed facility provides supportive housing with assisted living services for low-income seniors with serious mental, intellectual/developmental, and/or physical disabilities.

## ARLINGTON'S AFFORDABLE HOUSING PRINCIPLES & GOALS

Adopted by the County Board in September 2015

The Affordable Housing Master Plan is consistent with, and contributes to, achievement of the Vision for Arlington County. The Housing Principles form the core philosophical foundation of Arlington's approach to affordable housing within the context of the County's total housing stock, economic base, and social fabric. These principles provide direction for Arlington's affordable housing goals, objectives, and policies. The Affordable Housing Master Plan can be found at the link below:

<http://arlingtonva.s3.amazonaws.com/wp-content/uploads/sites/15/2015/12/AHMP-Published.pdf>

- Principle 1:** Housing affordability is essential to achieving Arlington's vision.
- Principle 2:** Arlington County government will take a leadership role in addressing the community's housing needs.
- Principle 3:** A range of housing options should be available throughout the County affordable to persons of all income levels and needs.
- Principle 4:** No one should be homeless.
- Principle 5:** Housing discrimination should not exist in Arlington.
- Principle 6:** Affordable housing should be safe and decent.

The Affordable Housing Policy responds to the current and future needs and is articulated in goal, objective and policy statements. Three broad goal areas aid in organizing the various policies into a framework which is further detailed by objectives that respond to these goals, and policies which will direct County efforts in fulfilling each objective.

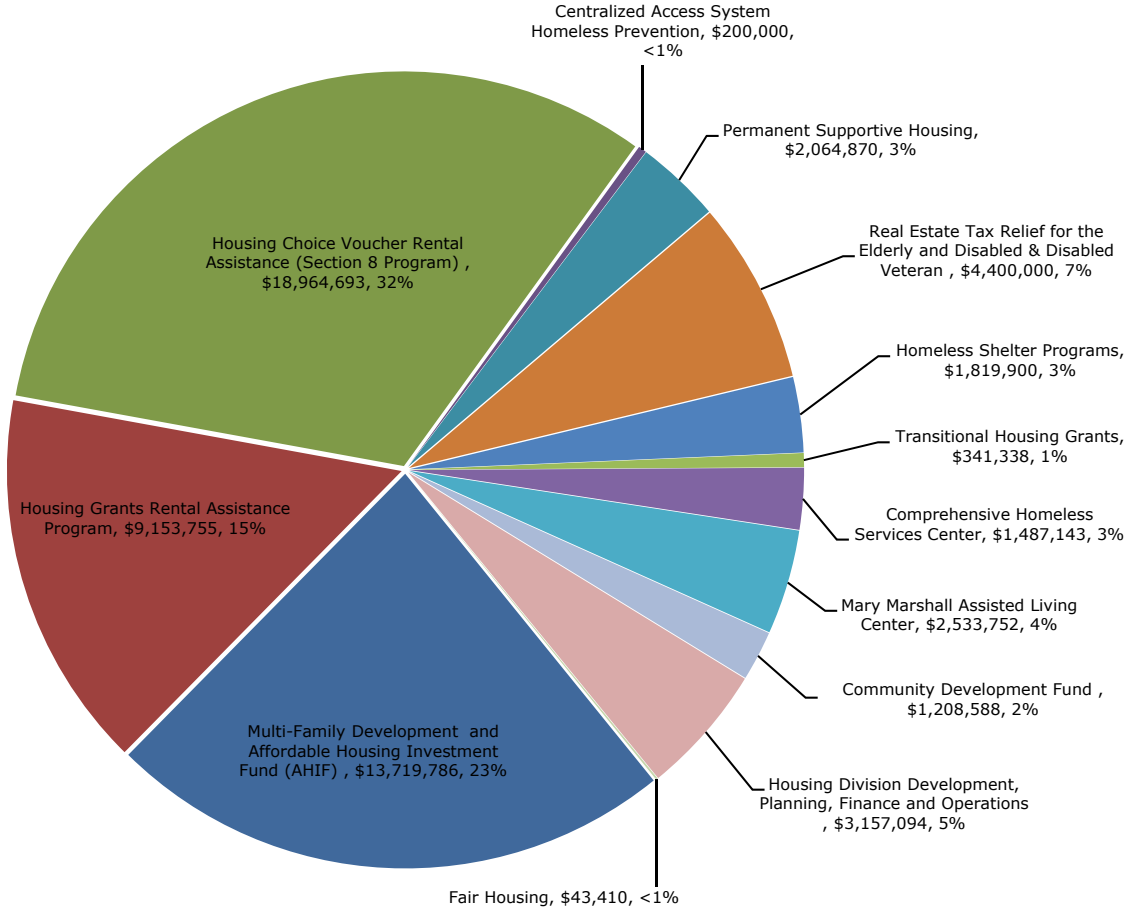
The first goal relates to housing supply, which is fundamental to addressing all housing needs. However, housing supply alone is not sufficient to ensure that the housing needs of households of all incomes can be met; the second goal addresses access to housing. And finally, it is imperative that as housing needs are addressed that these efforts contribute to a sustainable community.

- Goal 1:** Arlington County shall have an adequate supply of housing available to meet community needs.
- Goal 2:** Arlington County shall ensure that all segments of the community have access to housing.
- Goal 3:** Arlington County shall ensure that its housing efforts contribute to a sustainable community.

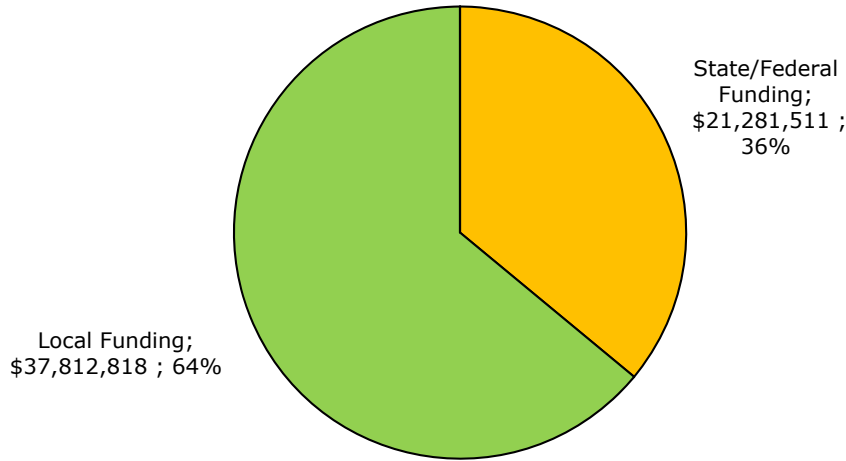
FUNDING SUMMARY

The County’s housing programs are funded with a variety of local, state, and federal funding, and are managed through the Department of Human Services and the Department of Community Planning, Housing, and Development. Housing funding totals \$59.1 million for all funds in FY 2018. The General Fund net tax support equals \$37.8 million of the General Fund budget. This section provides a comprehensive summary of the housing program efforts and the funding dedicated to them including summary charts and table as well as descriptions of each program area.

FY 2018 Expense Budget for Housing Programs



FY 2018 Housing Programs: Funding by Source



HOUSING MULTI-DEPARTMENTAL PROGRAMS - FY 2013 ADOPTED TO FY 2018 PROPOSED

| PROGRAM  | FY 2013 ADOPTED      | FY 2014 ADOPTED      | FY 2015 ADOPTED     | FY 2016 ADOPTED      | FY 2017 ADOPTED      | FY 2018 PROPOSED     |
|--|----------------------|----------------------|---------------------|----------------------|----------------------|----------------------|
| <b>HOUSING</b>   |                      |                      |                     |                      |                      |                      |
| Multi-Family Development and Affordable Housing Investment Fund (AHIF)         | 9,480,623            | 12,480,623           | 12,955,716          | 12,456,017           | 13,719,786           | 13,719,786           |
| Housing Grants Rental Assistance Program                                       | 8,640,216            | 8,000,000            | 7,913,507           | 8,913,507            | 9,677,755            | 9,153,755            |
| Centralized Access System Homeless Prevention                                  | 250,000              | 200,000              | 200,000             | 200,000              | 200,000              | 200,000              |
| Permanent Supportive Housing   | 1,676,020            | 2,064,870            | 2,064,870           | 2,064,870            | 2,064,870            | 2,064,870            |
| Housing Choice Voucher Rental Assistance (Section 8 Program)                   | 17,883,678           | 18,240,094           | 17,012,873          | 18,002,351           | 17,870,843           | 18,964,693           |
| Real Estate Tax Relief for the Elderly and Disabled & Disabled Veteran         | 4,550,000            | 5,150,000            | 4,850,000           | 4,870,200            | 4,250,000            | 4,400,000            |
| Homeless Shelter Programs <sup>1</sup>   | 1,916,372            | 1,981,609            | 1,819,900           | 1,819,900            | 1,819,900            | 1,819,900            |
| Homeless Subsidized Supportive Housing <sup>1</sup>                            | 222,324              | 222,324              | 343,065             | 299,391              | -                    | -                    |
| Transitional Housing Grants <sup>1</sup>                                       | 337,959              | 337,959              | 341,338             | 341,338              | 341,338              | 341,338              |
| Comprehensive Homeless Services Center (Operating and Debt Service In FY 2014) | 2,070,000            | 476,244              | 1,731,516           | 1,478,647            | 1,486,146            | 1,487,143            |
| Assisted Living Residence (to Mary Marshall in FY 2012)                        | 2,408,374            | 2,408,374            | 2,408,374           | 2,432,458            | 2,432,458            | 2,533,752            |
| Single-Family Homeownership and Repair Programs <sup>2</sup>                   | 267,571              | 268,114              | 242,027             | 242,711              | 382,338              | -                    |
| Community Development Fund <sup>3</sup>  | 227,000              | 236,227              | 109,000             | 110,000              | 255,603              | 1,208,588            |
| Housing Division Development, Planning, Finance and Operations <sup>4</sup>    | 2,210,061            | 2,219,068            | 2,351,114           | 2,330,875            | 2,328,465            | 3,157,094            |
| Fair Housing   | 93,469               | 45,073               | 97,114              | 47,019               | 92,278               | 43,410               |
| <b>Total Program</b>   | <b>\$ 52,233,667</b> | <b>\$ 54,330,579</b> | <b>\$54,440,414</b> | <b>\$ 55,609,284</b> | <b>\$ 56,921,780</b> | <b>\$ 59,094,329</b> |
| <b>Net Tax Support</b>   | <b>\$ 33,674,427</b> | <b>\$ 35,187,868</b> | <b>\$36,522,104</b> | <b>\$ 36,847,959</b> | <b>\$ 38,253,921</b> | <b>\$ 37,812,818</b> |

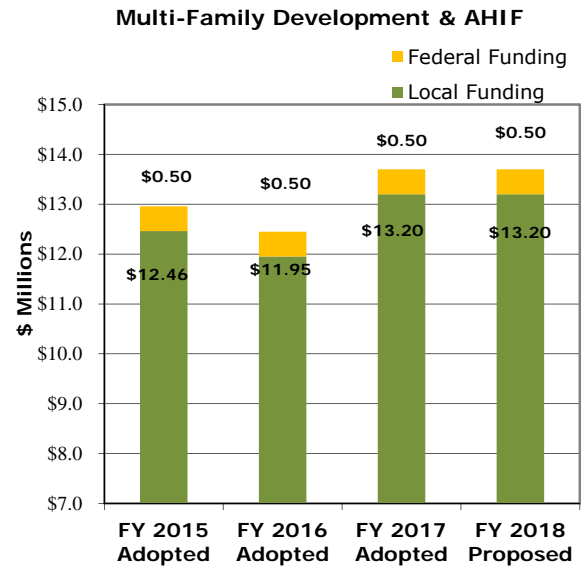
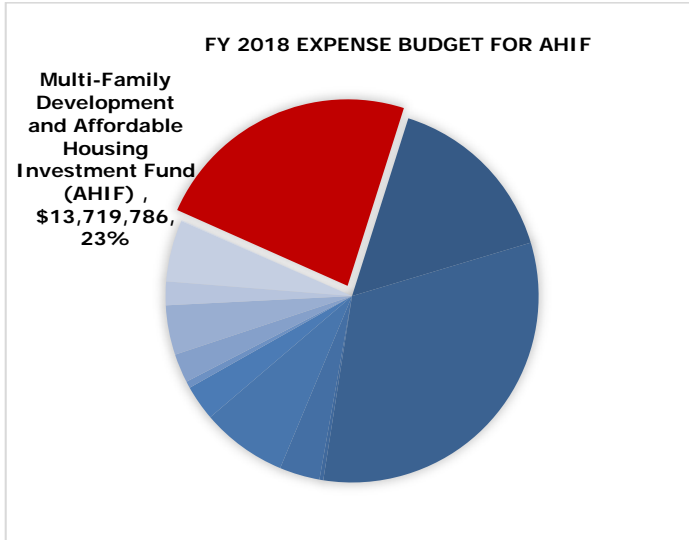
(1) Homeless Shelter Programs, Homeless Subsidized Supportive Housing, and Transitional Housing Grants are the components of Homeless Shelters/Transitional Housing.  
 (2) Single-family Homeownership and Repair Programs have been capitalized in prior years and therefore do not show County support in FY 2018 Proposed.  
 (3) The increase in Community Development Fund costs between FY17 and FY18 is a result of including additional housing-related programs from Fund 206 to this summary.  
 (4) FY 2018 Proposed reflects a recent reorganization of Housing Division staff. The increase in Housing Division costs between FY17 and FY18 is a result of including housing-related personnel from Fund 206 to this summary.

NOTE: (A) "Net Tax Support" is program expense less revenue; revenue is not shown but has been factored into the calculation  
 (B) The FY 2014 adopted budget numbers for (1) were adjusted to properly reflect the monies allocated to homeless shelter programs.  
 (C) The FY 2013 funding level for the Homeless Service Center is the full debt service for the purchase of the building, later years reflect just the debt portion for the homeless shelter.

**Multifamily Development and Affordable Housing Investment Fund (AHIF) – \$13,719,786**

Program Description

The County’s Multifamily Development program has helped create the majority of its 7,463 committed affordable units (CAFs). The Affordable Housing Investment Fund (AHIF) is the primary funding source for the County’s multifamily development program and provides funding for new construction, acquisition, and/or rehabilitation projects to preserve and increase the supply of affordable housing.



The FY 2018 proposed funding reflects a base of \$4.5 million, one-time funding from the FY 2016 closeout process of \$7.0 million and an additional \$2.2 million added by the County Manager. Developer contributions, loan repayments, and payoffs add to the balance of funding available for new projects beyond the \$13.7 million in FY 2018. As shown in the table below, both developer contributions and loan repayments and payoffs have provided an average of \$15 million annually between FY 2012 and FY 2016. While these repayments and contributions have been decreasing since FY 2014 due to rising interest rates and changing construction cycles in the County, loan repayments and developer contributions are still projected to provide approximately \$8 million - \$9 million above the annual appropriation by the County Board to AHIF in FY 2017 - FY 2018.

|  | FY 2012 Actuals (rounded) | FY 2013 Actuals (rounded) | FY 2014 Actuals (rounded) | FY 2015 Actuals (rounded) | FY 2016 Actuals (rounded) | Projected FY 2017 | Projected FY 2018 |
|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------|-------------------|
| <b>Developer Contributions</b><br>(in millions)        | \$3.0m                    | \$0.75m                   | \$9.6m                    | \$5.7m                    | \$5.5m                    | \$4.2m            | \$4.6m            |
| <b>Loan Repayments &amp; Payoffs*</b><br>(in millions) | \$7.4m                    | \$21.2m                   | \$16.0m                   | \$6.7m                    | \$3.6m                    | \$4.1m            | \$4.6m            |

\*Includes lump-sum payments and payoffs. The FY 2012 loan repayment actuals includes payoffs for Patrick Henry, Harvey Hall, South Ballston Place, Macedonia (AHIF loan), and Parc Rosslyn (AHIF loan). The FY 2013 actuals includes payoffs for Key Boulevard, Arlington Mill, Virginia Gardens, and Quebec Apartments. The FY 2014 actuals include payoffs for Colonial Village, Arna Valley, and loans in the RPJ portfolio.

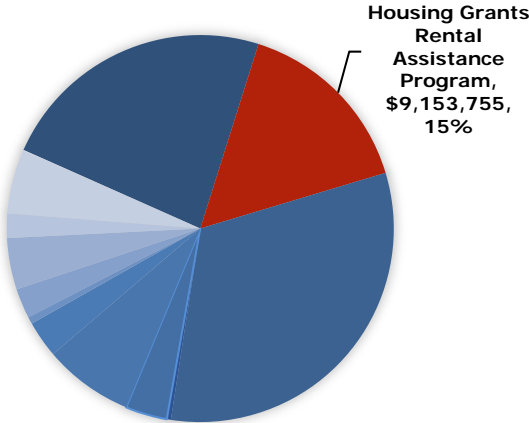
**Housing Grants Rental Assistance Program – \$9,153,755**

Program Description

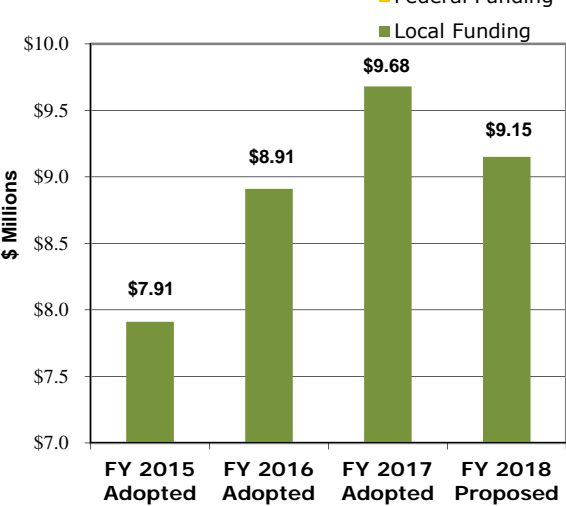
The Housing Grants Program provides rental assistance to low-income households so they can afford to live in Arlington. Recipients are residents who meet income requirements, and are limited to working families with minor children, people with disabilities, or residents age 65 or older, and those not helped by Housing Choice Voucher Rental Assistance (Section 8). Average annual income for families is \$27,075, people with disabilities, \$14,279, and residents age 65 or older, \$14,638. In July 2016, there were 1,299 households receiving subsidies. As of December 2016, there were 1,249 households receiving subsidies, a four percent decrease in the first six months of FY 2017.

For the FY 2018 proposed budget, the Housing Grants program is funded with \$7,553,755 in ongoing funding and \$1,600,000 in one-time funding. This budget includes \$1,000,000 in additional ongoing funding for housing grants, funded through a reallocation within DHS. Total funding for housing grants decreases \$524,000 over FY 2017, but is funded at a level expected to meet demand for service.

**FY 2018 TOTAL EXPENSE BUDGET FOR HOUSING GRANTS RENTAL ASSISTANCE PROGRAM**



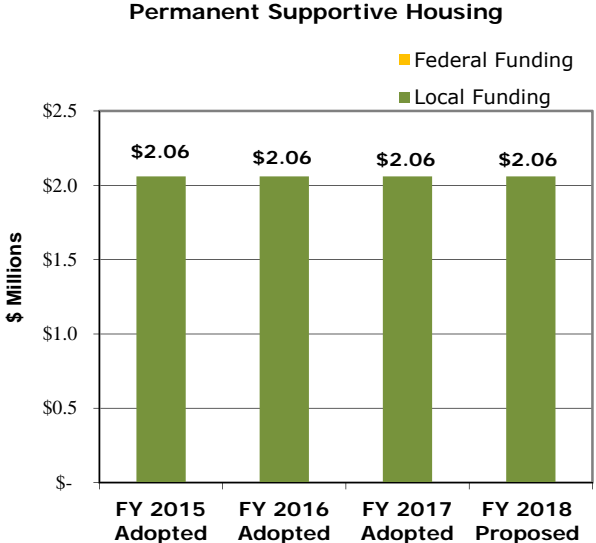
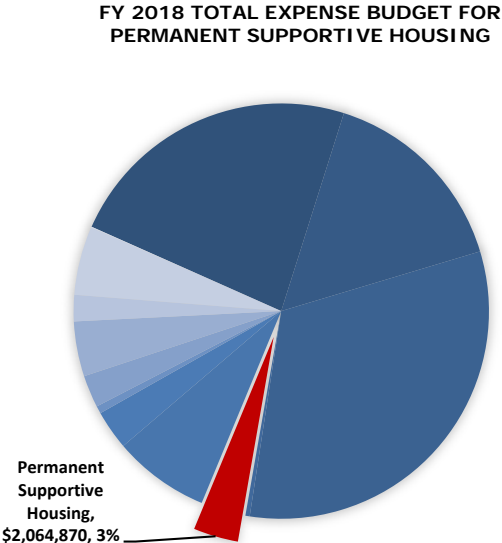
**Housing Grants Rental Assistance Program**



**Permanent Supportive Housing – \$2,064,870**

Program Description

The Permanent Supportive Housing Program subsidizes the rents of low-income persons with disabilities and provides supportive services so that they can live independently in the community. Approximately 80 percent of persons served suffer from serious mental illness, many have co-occurring medical conditions (i.e. intellectual developmental disabilities, physical disabilities), and have transitioned from homelessness or from foster care. The permanent supportive housing model is a nationally-recognized best practice strategy for providing stable housing for persons with disabilities. The entire budget funds the housing costs while supportive services are provided by existing Department of Human Service’s case managers and other staff. This program does not include funding to support group homes or independent living apartments.



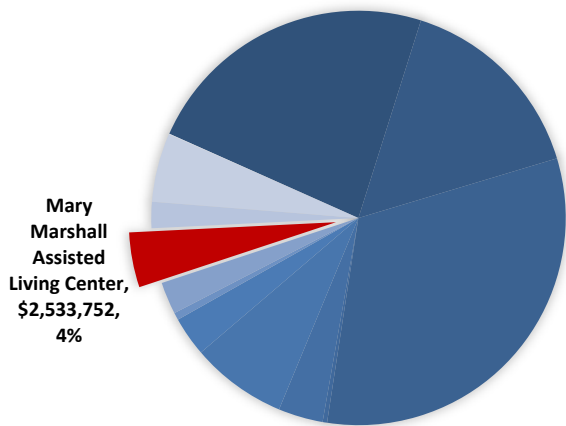


**Mary Marshall Assisted Living Facility – \$2,533,752**

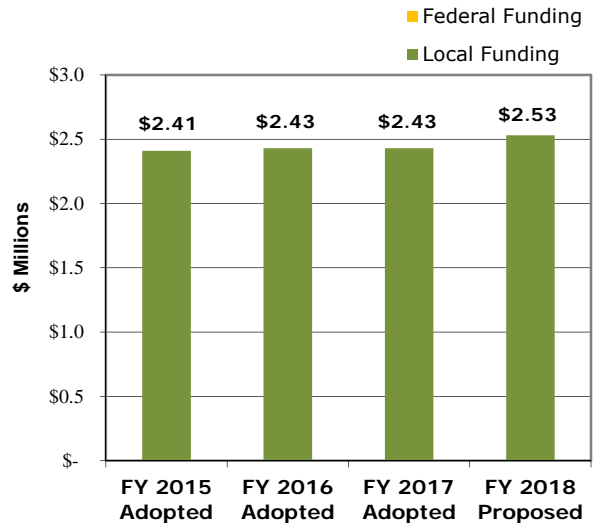
Program Description

The Mary Marshall Assisted Living Facility houses low-income seniors with serious mental illness or cognitive disabilities in a specialized assisted living facility. Opened in November 2011, this 52-bed facility provides best practice 24/7 assisted living nursing care, recreational activities, and mental health services. This is one of the few assisted living facilities in the country dedicated to serving this population.

**FY 2018 TOTAL EXPENSE BUDGET FOR MARY MARSHALL ASSISTED LIVING RESIDENCE**



**Mary Marshall Assisted Living**

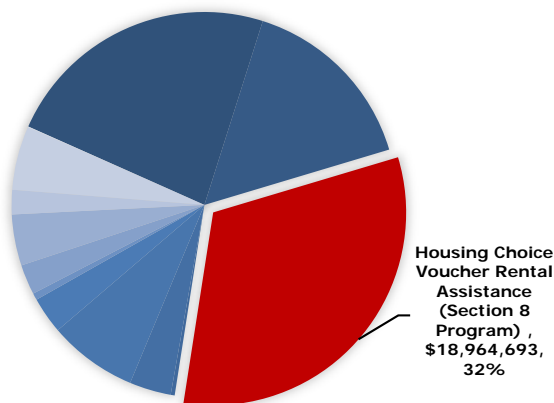


**Housing Choice Voucher Rental Assistance (Section 8) - \$18,964,693**

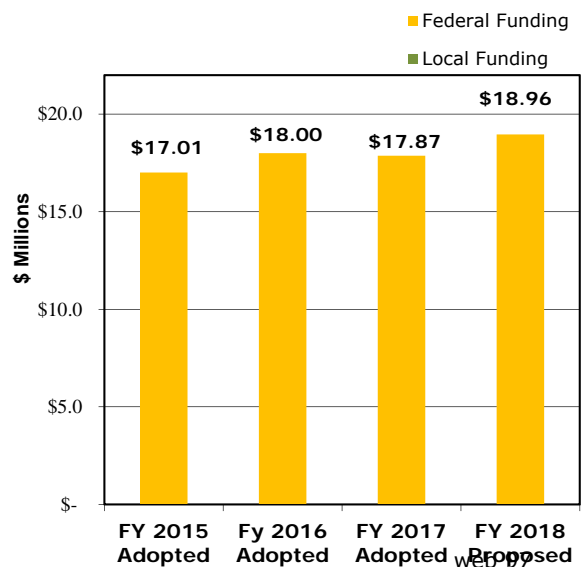
Program Description

Housing Choice Voucher Rental Assistance is a federally-funded program that provides rental subsidies for low-income households so they can afford to live in Arlington. There were 1,396 households assisted in FY 2016.

**FY 2018 EXPENSE BUDGET FOR HOUSING CHOICE VOUCHER RENTAL ASSISTANCE (SECTION 8)**



**Housing Choice Voucher Rental Assistance (Section 8)**

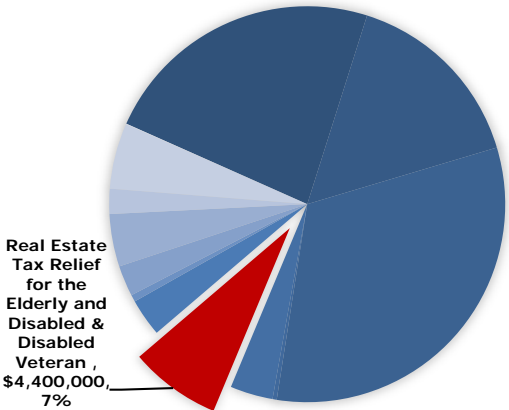


**Real Estate Tax Relief for the Elderly and Disabled – \$4,400,000**

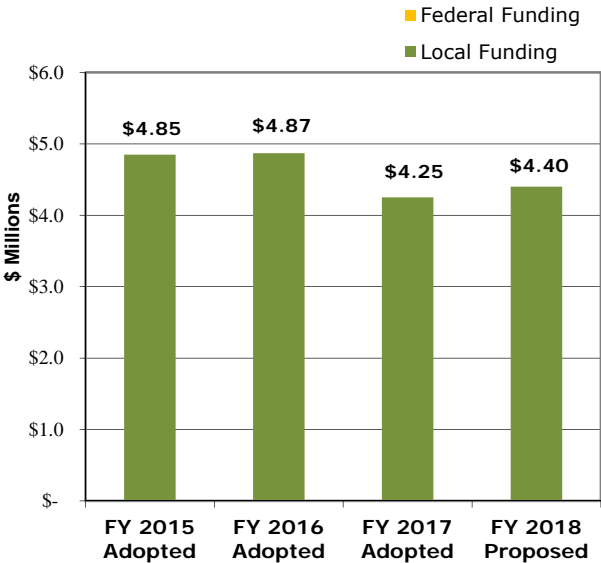
Program Description

The Real Estate Tax Relief for the Elderly and Disabled Program aims to reduce the real estate tax burden for low and moderate income homeowners age 65 or older, or the permanently disabled, to enable them to remain in their homes. In FY 2016, there were 932 households who qualified for exemptions or deferrals. The Proposed Budget does not include any specific recommendation on the Senior and Disabled Tax Relief program since the Real Estate Tax Relief Working Group is still studying the issue.

**FY 2018 BUDGET FOR REAL ESTATE TAX RELIEF**



**Real Estate Tax Relief**



**Homeless Shelters/Transitional Housing/Subsidized Supportive Housing – \$2,161,238**

**Comprehensive Homeless Services Center – \$1,487,143**

**Centralized Access System (CAS) Homeless Prevention – \$200,000**

Program Description – Homeless Shelters/Transitional Housing/Subsidized Supportive Housing

Provides temporary and/or long-term housing to homeless individuals and families and provides a range of supportive services to facilitate the transition to permanent housing. Services are provided in partnership with nonprofit agencies, including Doorways for Women and Families, Arlington/Alexandria Coalition for the Homeless (AACH), Volunteers of America-Chesapeake (VOAC), and Borromeo Housing.

Program Description – Comprehensive Homeless Services Center

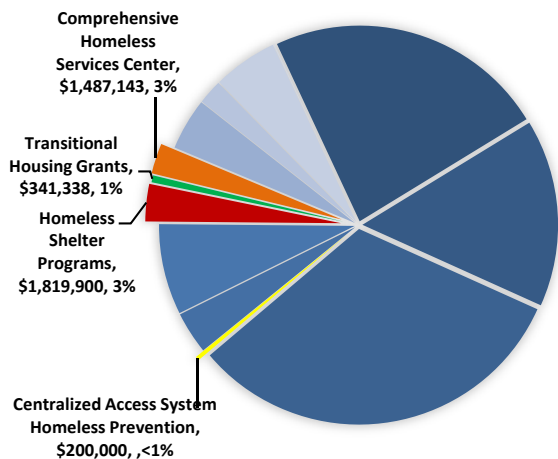
For FY 2018, the County Manager’s base budget includes \$1,487,143 in program operation funding to provide comprehensive services, aimed at supporting housing stability, at the new homeless services center. Services are provided in partnership with the Arlington Street People’s Assistance Network (A-SPAN).

Program Description – Centralized Access System Homeless Prevention

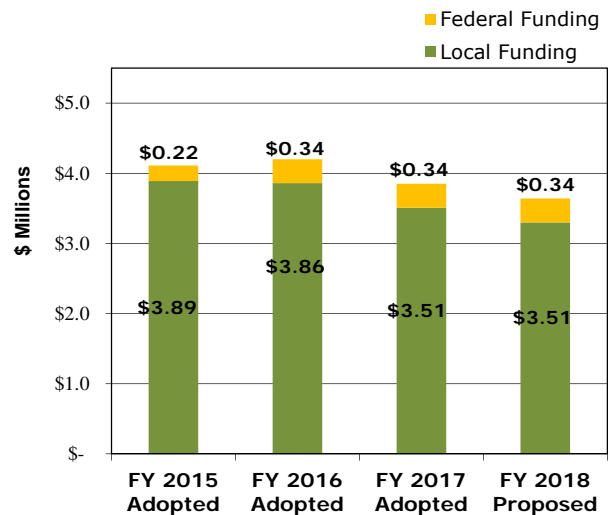
The Centralized Access System Homeless Prevention is an industry best-practice that provides a single intake process for shelter and housing referrals to assist households who would otherwise become homeless. Funds are used for financial assistance and case management.

Case Management is provided by Arlington Street People’s Assistance Network (A-SPAN) and Volunteers of America-Chesapeake (VOAC). (Local AHIF and CDBG dollars, as well as state funds, are also used for case management.)

**FY 2018 TOTAL EXPENSE BUDGET FOR HOMELESS SHELTERS/TRANSITIONAL HOUSING AND NEW COMPREHENSIVE HOMELESS SERVICES CENTER**



**Homeless Shelters/Transitional Housing and New Comprehensive Homeless Services Center**



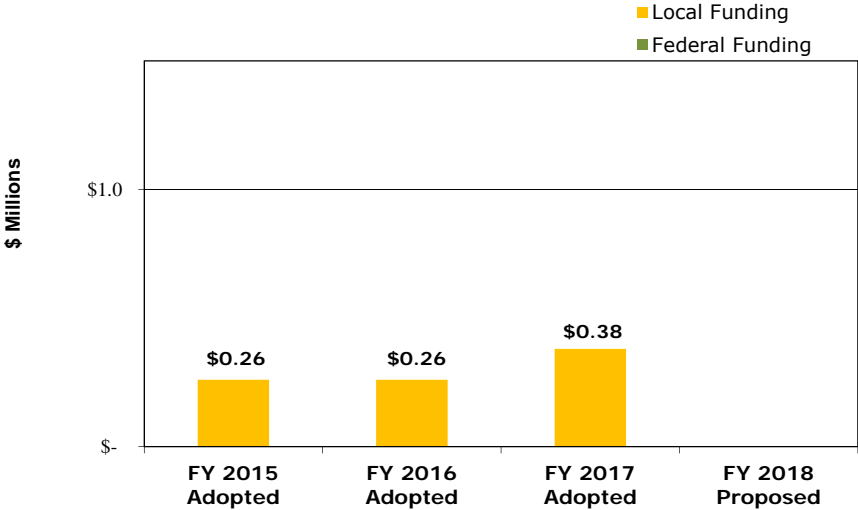
**Single-family Homeownership and Repair Programs**

Arlington County promotes homeownership for low and moderate income households by facilitating outreach and providing workshops to eligible prospective homebuyers. The County also provides down payment and closing cost assistance through its Moderate Income Purchase Assistance Program (MIPAP), which is a shared-appreciation loan program.

The County further supports homeownership through its Home-Improvement Program (HIP). This loan program helps low and moderate income homeowners make repairs to their homes to address health and safety concerns and reduce operating costs by improving the home’s energy efficiency.

There is no funding proposed for FY 2018 because the MIPAP and HIP programs are currently supported through prior-year appropriations. The County has been able to leverage previously approved funds to provide continued support to these programs. County funding for nonprofit organizations that assist with homebuyer outreach are included in the Community Development Fund section.

**Single-Family Homeownership and Repair Programs**



**Community Development Fund – \*\$1,208,588**

Program Description

The Community Development Fund is a competitive grant fund comprised of federal Community Development Block Grant (CDBG), federal and state Community Services Block Grant (CSBG), and local general funds, including Affordable Housing Investment Fund (AHIF) Housing Services funds. Through a cooperation agreement, the City of Falls Church receives a portion of the County's CDBG funds. Grants are awarded to nonprofit agencies meeting the goals of the County's FY 2016-2020 Consolidated Plan which are to:

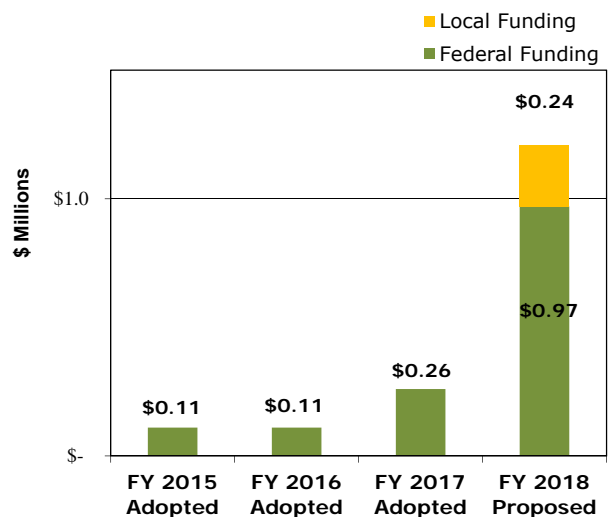
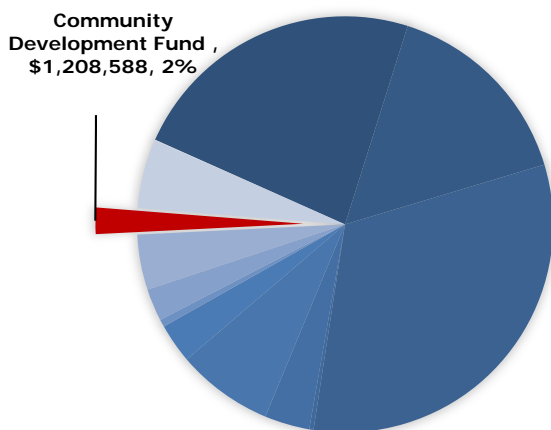
1. Create and sustain affordable housing;
2. Promote healthy and self-sufficient families;
3. Stabilize households at risk of homelessness; and,
4. Foster vibrant and sustainable neighborhoods.

Eligible organizations are nonprofit agencies serving low and moderate income Arlington residents. Grants are renewable and awarded for one year periods. Grants between \$20,000 and \$50,000 may be requested for public services that serve low and moderate income residents, such as neighborhood, job training, youth, or senior programs. Housing development, homeownership, housing rehabilitation, certain economic development programs, and business development (microenterprise, small business assistance) are eligible for grants up to \$100,000. The increase in funding from FY 2017 to FY 2108 is due to including housing-related program funds that have historically been included in the Community Development narrative. More detailed information on specific programs can be found in the Community Development Fund narrative.

***\*The total does not include \$200,000 for AHIF Housing Services Grants, which are captured in the AHIF budget. Also not included in the total above are \$506,821 in federal funds used for grant-funded County personnel, which are captured in the Housing Division Development, Planning, Finance, and Operations budget.***

Community Development Fund

FY 2018 TOTAL EXPENSE BUDGET FOR THE COMMUNITY DEVELOPMENT FUND

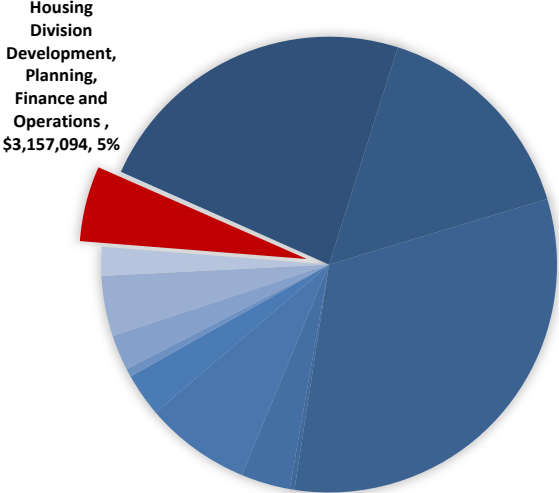


**Housing Division Development, Planning, Finance, and Operations- \$3,157,094**

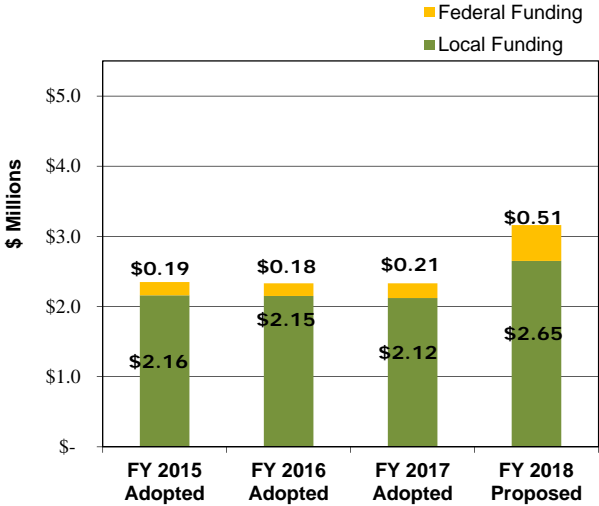
Program Description

The Housing Division provides overall leadership on the County’s affordable housing planning and development efforts, asset management and compliance, as well as housing services and the community development program. Housing Planning and Community Development provides the information needed for the County to develop effective goals and strategies to address the community’s housing needs. Housing Development works to achieve the County’s affordable housing goals and targets by implementing projects that provide additional multifamily and single family committed affordable units. Housing Finance and Operations administers and manages funding sources for the County’s housing programs, provides compliance and asset management functions, and identifies and develops additional financing and related resources as needed and available. More information may be found in the Housing Division’s budget narrative

**FY 2018 TOTAL EXPENSE BUDGET FOR HOUSING DIVISION DEVELOPMENT, PLANNING, FINANCE AND OPERATIONS**



**Housing Division Development, Planning, Finance & Operations**

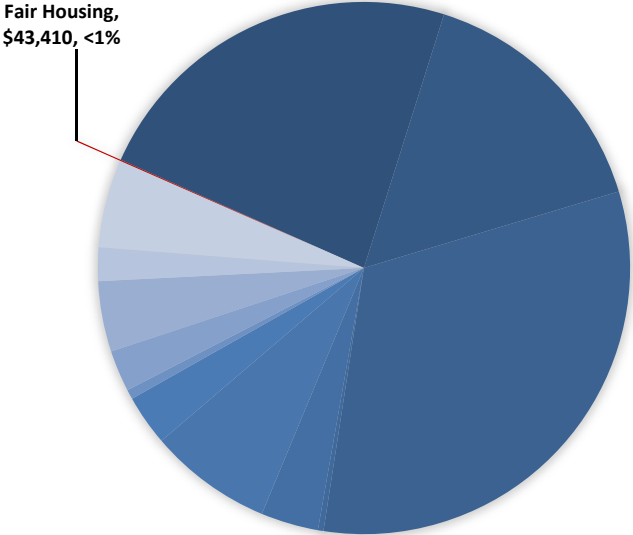


**Fair Housing - \$43,410**

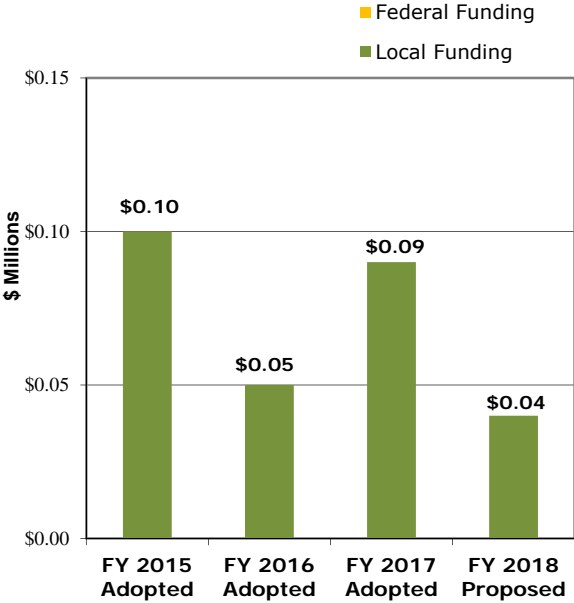
Program Description

The Human Rights Office in the County Manager’s Office implements the fair housing program. The bi-annual Fair Housing Testing Program performs 100 tests to assess the equality in the treatment of a protected class when inquiring into the availability of a rental apartment. The testers consist of a protected class member and a control tester. Both have similar characteristics and profile, except for the membership in the protected class. Protected classes can be gender, sexual orientation, age, disability, national origin, race, color, familial status, and marital status.

**FY 2018 EXPENSE BUDGET FOR FAIR HOUSING**



**Fair Housing**



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