

# **Affordable Housing & Transit-oriented development**

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Defining the Problem

# **THE IMPORTANCE OF AFFORDABLE HOUSING**

# Why Affordable Housing Matters

- ♦ Defining "affordable" (HUD benchmarks)
- ♦ Jobs create demand for housing
- ♦ A portion of these are at moderate and low wage levels
- ♦ Distant work force creates problems for employers and employees
- ♦ Value of mixed-income community

# Smart Growth, land costs, and housing affordability

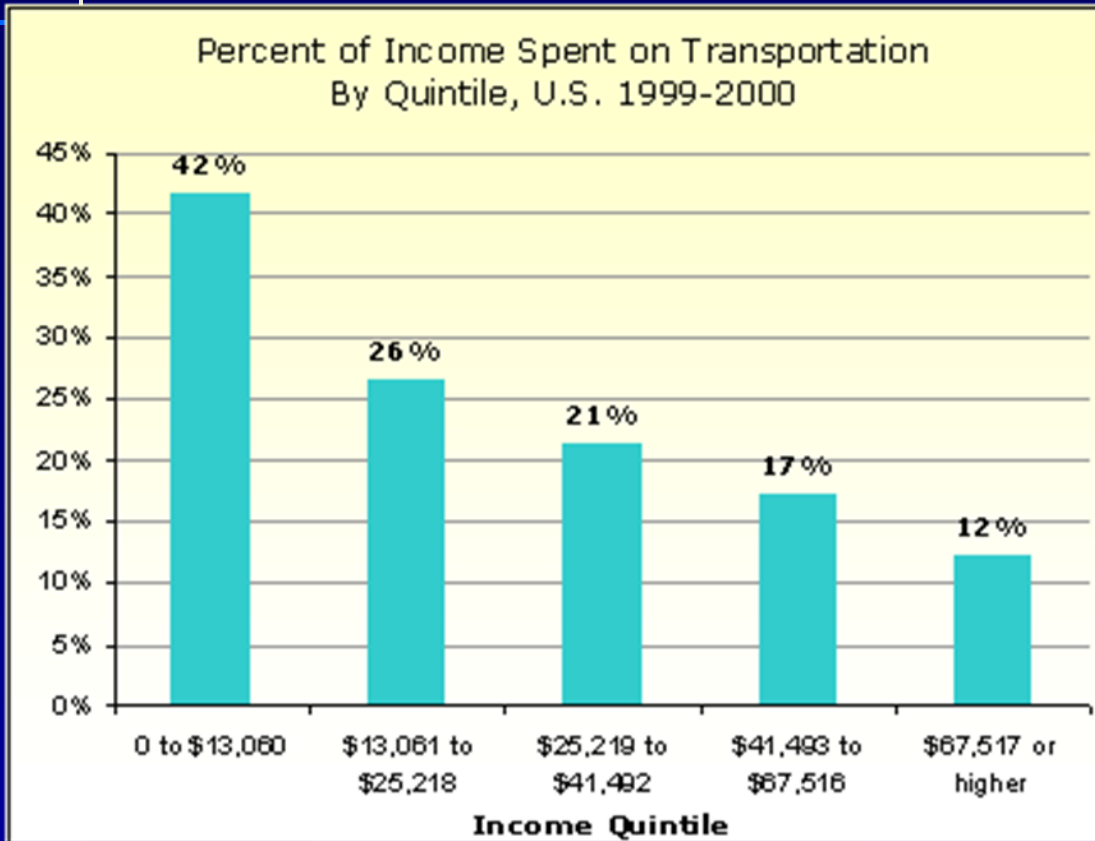
*Other things equal:*

- ♦ Urban land is more valuable
- ♦ A successful policy of compact development and the enhancement of "livability" will generate higher land values
- ♦ This implies a need for policy aimed at housing affordability

# Transportation costs and housing affordability

- ♦ The perils of "drive to qualify"
- ♦ The housing + transportation (H+T) affordability index
  - Developed by CNT & CTOD
  - Instead of  $H < 30\%$ ,  $H+T < 45\%$
- ♦ Location efficiency

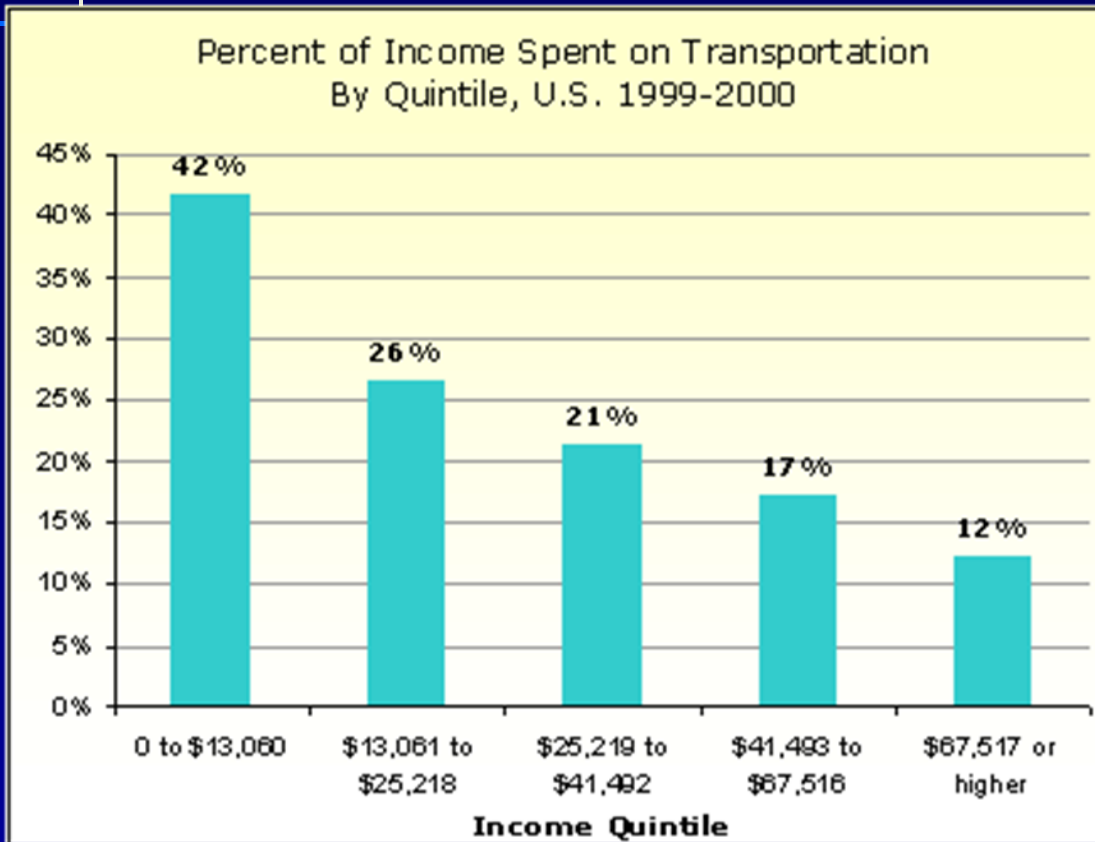
# *Transportation Costs Impact Households*



Most American families spend more on driving than on health care, education or food.

Findings from research by STPP and CNT

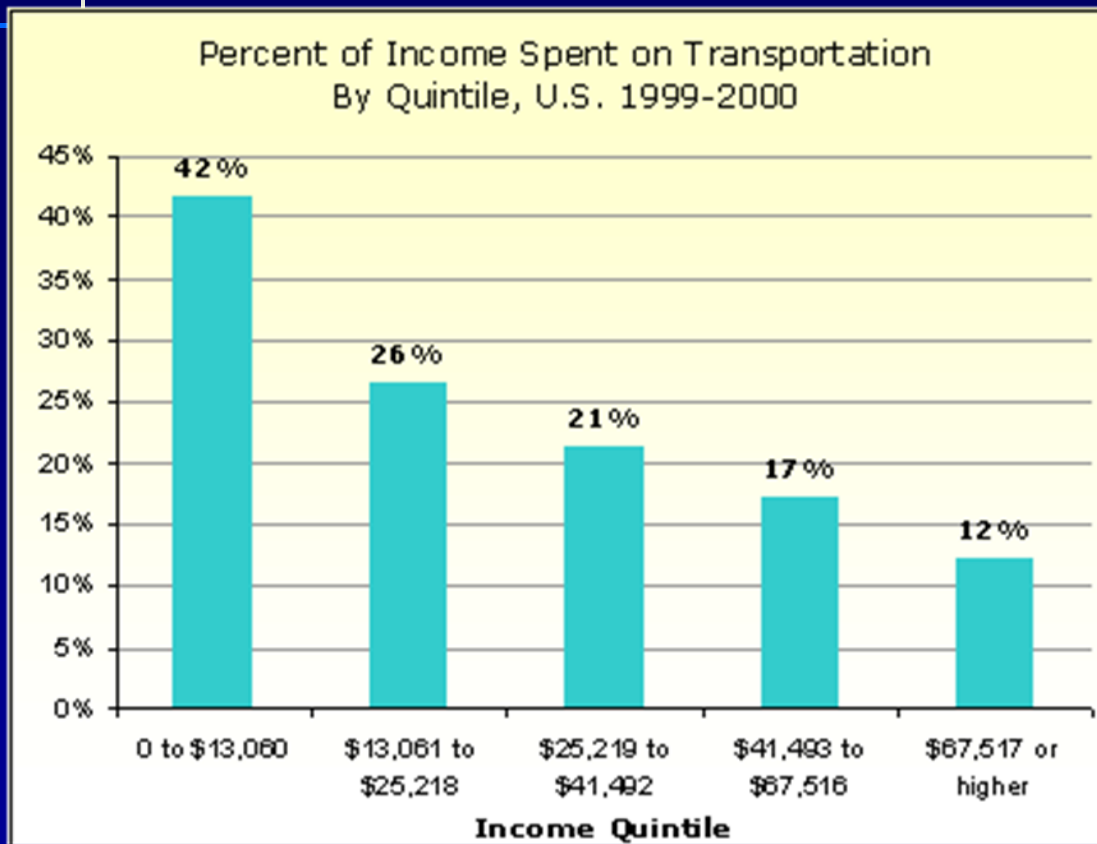
# *Transportation Costs Impact Households*



The average American family spends 20 percent of their household expenditures on transportation.

Findings from research by STPP and CNT

# *Transportation Costs Impact Households*



The poorest fifth of American families pay 42% of their income for the purchase, operation, and maintenance of automobiles.

Findings from research by STPP and CNT

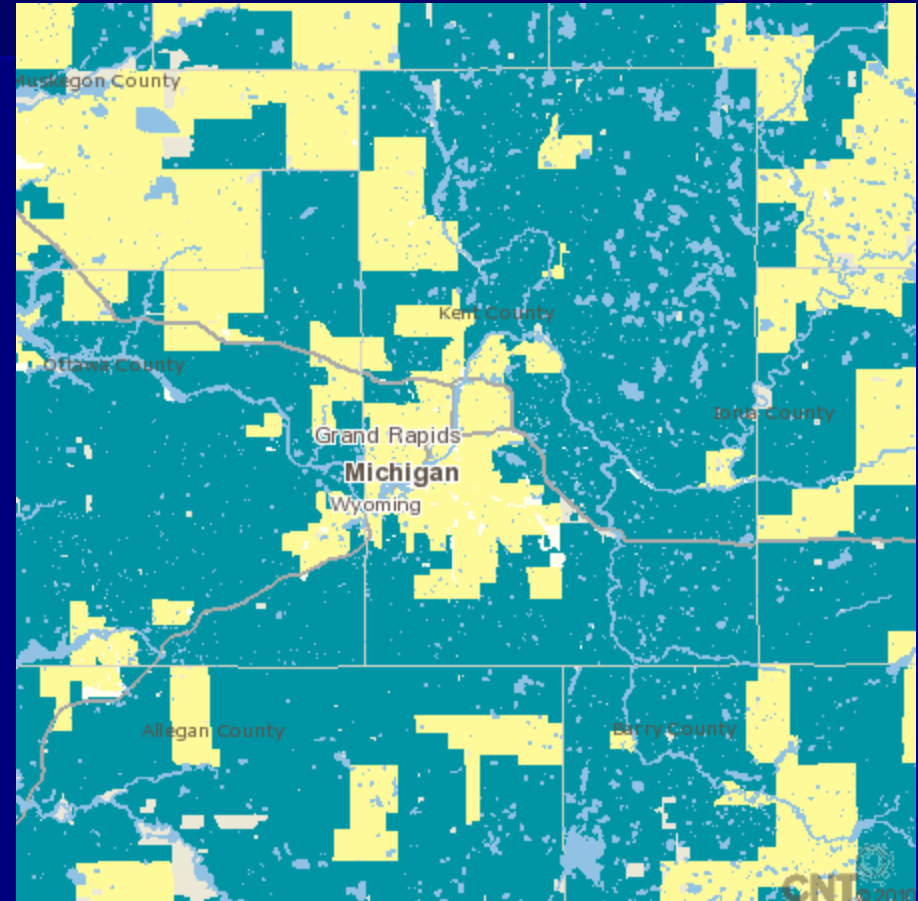
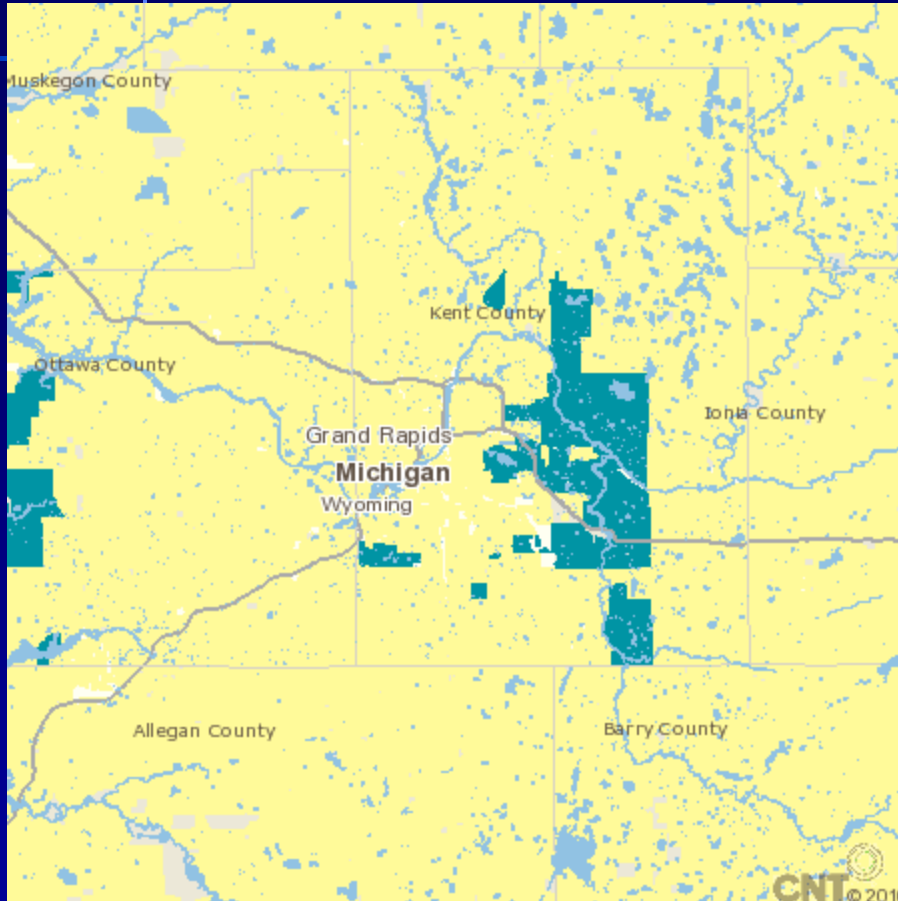
# True Affordability

- ◆ By "traditional" measure, almost 70 % of US communities are "affordable"
- ◆ Considering housing and transportation costs together changes the picture
- ◆ Drops to > 40 %

# Affordability: H v. H+T in Western Michigan

Yellow = Housing costs < 30%

Yellow = H + T costs < 45%



What's to be done?

# **AFFORDABLE HOUSING POLICIES AND TOOLS**

# Major policy issues

- ♦ Bricks and mortar v. family subsidies
- ♦ Renovation v. new construction
- ♦ Setting goals and targets

# Tools

1. Public Housing
2. Inclusionary zoning
3. Low-income tax credit financing
4. Local revolving loan funds (AHIF)
5. Development contributions
6. Density bonuses
7. Leveraging public land

# Special needs housing

- ♦ Accessibility
- ♦ Supportive housing
- ♦ Elderly/assisted living

# Other issues

- ♦ Rental v. ownership
- ♦ Co-op v. condo

Affordable Housing Projects

# **EXAMPLES**

# Arlington projects

- ◆ Buckingham Village
- ◆ Parc Rosslyn
- ◆ Arlington Mill
- ◆ Views of Clarendon

# Resources

- ♦ Arlington County  
Annual Affordable Housing Targets Report
  - [www.arlingtonva.us/departments/CPHD/housing/pdf/file75902.pdf](http://www.arlingtonva.us/departments/CPHD/housing/pdf/file75902.pdf)
- ♦ Center for Neighborhood Technologies
  - [www.cnt.org/tcd/ht](http://www.cnt.org/tcd/ht)
- ♦ Transportation for America
  - [T4america.org](http://T4america.org)