Arlington Community Facilities Study

A resource and facilities plan for our future

September 30, 2015

Alliance for Housing Solutions Leckey Forum
Ginger Brown, Study Committee Vice Chair
Study Committee

• Appointed by County Board and School Board
• 23 members
• Supported by Resident Forum with over 250 participants
• 14 meetings through September, plus subcommittee meetings
• Final report due Nov. 10
Study Committee Charge

- Review future revenue projections
- Review current and future demographics
- Identify future public facility needs
- Develop process for selecting locations for new facilities
- Identify and examine principle strategic challenges
Overall Schedule*

Jan 2015

- Process Kickoff
- Financial Resources
- Demographics & Forecasts
- Validating the Forecast Methods: County’s Vision; Past Siting Processes
- Facilities/Land Inventory
- Siting Case Studies: Financial, siting & demographic challenges

Feb
- Learning Meetings

March
- Public Open House
- Siting Principles; Revenue Projections
- Siting Principles; Siting Process
- Committee Member Meetings

April
- Review of Initial Report; Work Session on proposed Siting Principles/Process
- Report Discussion & Revisions

May
- Presentation of Final Report

June
- June 2
- Learning Meetings

July
- August
- September
- October

November 10

*Schedule subject to refinement
Challenge #1

A threatened commercial tax base
General Fund Revenue By Source

FY 1985: $205.2 million
- Local Taxes, 70%
- Charges for Services, 5%
- State, 12%
- Misc., 8%
- Federal, 4%
- License, Permits & Fees, 1%

FY 1995: $418.3 million
- Local Taxes, 74%
- Charges for Services, 4%
- State, 9%
- Misc., 9%
- Federal, 3%
- License, Permits & Fees, 1%

FY 2015: $1.15 billion
- Local Taxes, 82%
- Charges for Services, 5%
- State, 6%
- Misc., 5%
- Federal, 1%
- License, Permits & Fees, 1%
Local Tax Revenue by Source (FY 2016 General Fund)

FY 2016 Local Taxes

- Real Estate: Residential, 26%
- Real Estate: Commercial, 20%
- Real Estate: Apartments, 13%
- BPOL, 6%
- Personal Property: Vehicles, 8%
- Personal Property: Bus., Tangible, 4%
- Real Estate: Condominium, 10%
- Other, 2%
- Communication Tax, >1%
- Local Sales Tax, 4%
- Transient Occupancy Tax, 2%
- Meals Tax, 4%
- Utility Tax, 1%

Real estate taxes 68%
Portion of real estate taxes from commercial property 50%
Real Estate Impact on Homeowner Regionally

Residential assessments as a percentage of total tax base

- Prince William Co.
- Fairfax Co.
- Loudoun Co.
- City of Alexandria
- Arlington Co.

Arlington Community Facilities Study
A resource and facilities plan for our future
<table>
<thead>
<tr>
<th>Description</th>
<th>Impact</th>
<th>Real Estate Taxes</th>
<th>BPOL &amp; Business Tangibles</th>
<th>Meals, Sales, &amp; TOT</th>
</tr>
</thead>
<tbody>
<tr>
<td>300,000 SF Commercial Office Building</td>
<td>$3.0 million</td>
<td>$1.4 million</td>
<td>$1.4 million</td>
<td>$220,000</td>
</tr>
<tr>
<td>200 Unit Apartment Building</td>
<td>$1.0 million</td>
<td>$800,000</td>
<td>$170,000</td>
<td>$50,000</td>
</tr>
</tbody>
</table>

Arlington Community Facilities Study
A resource and facilities plan for our future
Problem: A 21% vacancy rate in commercial office

Why?

• Sequestration and BRAC
• Changing culture in use of office
• Competition from markets with new transit access (Metro Silver Line)
Each 1% of Office Occupancy is Worth $3.4 million in Local Taxes

- Local tax revenue for a 100% occupied building: $4.5 M
- Local tax revenue for a 75% occupied building: $3.3 M
- Local tax revenue for a 50% occupied building: $2.5 M
- Local tax revenue for a 0% occupied building: $1.1 M

Note: Assumes 100% occupancy = 400,000 SF of RBA in a building in the Crystal City submarket. Based on private sector for-profit tenancy.
What does that mean?

- Each 1% of office occupancy = $3.4 million in revenue
- $3.4 million revenues = ½ ¢ on real estate tax rate
- ½ ¢ on real estate tax rate = $29 on the average single family home
Challenge #2

Dealing with changing demographics
Arlington Demographics
Current Population Snapshot

216,700
Persons

102,100
Households

110,300
Housing Units

Race and Ethnicity

<table>
<thead>
<tr>
<th>Race/Ethnicity</th>
<th>Total</th>
<th>100.0%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Population</td>
<td>207,627</td>
<td></td>
</tr>
<tr>
<td>Non-Hispanic or Latino</td>
<td>176,245</td>
<td>84.9%</td>
</tr>
<tr>
<td>White</td>
<td>132,961</td>
<td>64.0%</td>
</tr>
<tr>
<td>Black or African American</td>
<td>17,088</td>
<td>8.2%</td>
</tr>
<tr>
<td>Asian or Pacific Islander</td>
<td>19,895</td>
<td>9.6%</td>
</tr>
<tr>
<td>Other or Multi-Racial</td>
<td>6,301</td>
<td>3.0%</td>
</tr>
<tr>
<td>Hispanic or Latino</td>
<td>31,382</td>
<td>15.1%</td>
</tr>
</tbody>
</table>

Members of the Arlington community are...
- well educated
- diverse
- growing

Arlington’s population has grown 4.2% since 2010.

Educational Attainment

72% Bachelor's Degree or Higher

$106,400 Median Household Income

Source: CPHD – Planning Division (Profile 2015)
The majority of housing units in Arlington are multi-family.

Over the last 5-years, Arlington’s housing supply has increased by:
- 72 SFD
- 148 SFA
- 3,800 Multi-Family

Source: 2015 Arlington County Profile
Arlington Housing Supply
Change Over Time 1950-2010

Source: Decennial Census 1950-2000, Planning Division Estimate 2010
Arlington Housing Supply
Affordable Housing

- Rents have increased
- Between 2004 and 2014, supply of 60% AMI MARKs dropped by over 7,000 units
  - CAFs increased by 1,807 units
  - Net loss in affordability at 60% AMI = ~ 5,200 units
- Non-profit construction/acquisition of units ensures long-term affordability

MARK = Market Rate Affordable
CAF = Committed Affordable Units
AMI = Area Median Income

AMI for a Family of 4 = $107,000
60% of AMI for a Family of 4 = $64,200

Sources: Housing Division, Annual Survey of Rent and Vacancy;
2014 Median Income from U.S. Dept. of Housing and Urban Development
Arlington Housing Supply
Residential Development Activity

• Very little vacant land remains in Arlington.
  • Residential development is primarily re-development.

• Single-family detached neighborhoods
  • Neighborhoods are changing
  • Net an average of 28 new units per year; mostly accomplished through tear-downs.
  • Average of 300,000 SF of additions per year.

• Multi-family housing produces 94% of Arlington’s annual net new increase in housing units.
Arlington Forecast

Population

Population Change from 2010-2040:
Increase of Approximately 75,400 people (+36%)

Source: Preliminary MWCOG Round 8.4 Forecast
Arlington Forecast
Employment

Change from 2010-2040:
Increase of Approximately 79,000 jobs (+36%)

Source: Arlington County Planning Division
Arlington Forecast
Housing Units

Housing Units

Change from 2010-2040:
Increase of Approximately 35,000 Housing units (+33%)

Source: Arlington County Planning Division
## Arlington Demographics: Race and Ethnicity Changes

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2010</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Percent</td>
<td>Number</td>
</tr>
<tr>
<td>Total Population</td>
<td>189,453</td>
<td>100.0%</td>
<td>207,627</td>
</tr>
<tr>
<td>Population of One Race</td>
<td>149,084</td>
<td>78.7%</td>
<td>170,949</td>
</tr>
<tr>
<td>White</td>
<td>114,489</td>
<td>60.4%</td>
<td>132,961</td>
</tr>
<tr>
<td>Black or African American</td>
<td>17,244</td>
<td>9.1%</td>
<td>17,088</td>
</tr>
<tr>
<td>American Indian &amp; Alaska Native</td>
<td>418</td>
<td>0.2%</td>
<td>394</td>
</tr>
<tr>
<td>Asian</td>
<td>16,232</td>
<td>8.6%</td>
<td>19,762</td>
</tr>
<tr>
<td>Native Hawaiian &amp; Other Pacific Islander</td>
<td>114</td>
<td>0.1%</td>
<td>133</td>
</tr>
<tr>
<td>Some Other Race</td>
<td>587</td>
<td>0.3%</td>
<td>611</td>
</tr>
<tr>
<td>Two or More Races</td>
<td>5,101</td>
<td>2.7%</td>
<td>5,296</td>
</tr>
<tr>
<td>Hispanic or Latino (All Races)</td>
<td>35,268</td>
<td>18.6%</td>
<td>31,382</td>
</tr>
</tbody>
</table>

*Source: U.S. Census Bureau, 2010*
Arlington Demographics: Median Household Income

- Households in the northern part of Arlington and areas to the south of Pentagon City, have the highest median household incomes.

- Areas around Columbia Pike, Nauck, Buckingham and Fort Myer have the lowest median household income.

Source: 2009-2013 American Community Survey 5-year Estimate
Arlington Demographics: Household Income 2000-2013

- In 2000, the largest share of households were at the $75,000 - $99,999 income level. (About $100,000-$135,000 in 2013 dollars.)

- In 2013, the largest share of households have incomes of $200,000 or more.

Source: 2000 Census and 2009-2013 American Community Survey 5-year Estimate
Which age cohorts should we closely monitor?

- Seniors – 60’s, 70’s, 80’s and beyond
- Millennials
- Children – Ages 0-5 (and their parents)
Growth of Arlington’s 65+ population

- Those over the age of 65-years have grown by 12% since 2010.
- This age cohort makes up about 9% of Arlington’s total population.

Source: U.S. Census Bureau, Population Estimates 2010-2013
Why does this matter?

• Arlington needs to plan for the needs of the growing population over 65

• Arlington-specific data needs to be collected and analyzed so that we can plan for seniors in their 60’s, 70’s and 80’s and beyond
Arlington Demographics
Dominant Generation

Source: Decennial Census 1950-2010
Why does this matter?

- Will Millennials leave when they have children?
- Can they afford to live here?
- Next generation of population
- Next generation of children
- Key element of workforce and local economy
The under 5-years cohort has continued to increase since 2010.

As a share of Arlington’s total population, this cohort has increased from 5.7% in 2010 to 6.0% in 2013.

Source: U.S. Census Bureau, Population Estimates 2010-2013
Pre-K thru Grade 12 enrollment over the last 10 years
5,785 more students since 2004
Ten Year Student Enrollment Projections (Prepared Fall 2014)
Predict growth of nearly 7,800 students over the next decade
Why does this matter?

• Maintaining quality schools is essential to the health and well-being of Arlington County.

• Will APS have the tools necessary to anticipate their numbers correctly so that perceived school overcrowding will not be a disincentive to attract families and businesses to locate here?
School Growth – Where is it coming from?

- APS tracks student generation from different housing types
- Majority of student enrollment growth between 2005 and 2013 from single family detached housing
- Student generation has increased for nearly all housing types – multi-family also increasing
- Phase 2 of consultant study will look at student generation for detailed housing characteristics (number of bedrooms, affordability, recent sales, etc.)
### APS Student Generation Factor (SGF) by Housing Type SY 2005 – 2013

<table>
<thead>
<tr>
<th>Housing Type</th>
<th>2005 APS Students</th>
<th>2005 County-wide Units</th>
<th>2005 SGF</th>
<th>2013 APS Students</th>
<th>2013 County-wide Units</th>
<th>2013 SGF</th>
<th>Change in Students 2005-2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Detached</td>
<td>9,807</td>
<td>27,422</td>
<td>0.36</td>
<td>12,256</td>
<td>28,909</td>
<td>0.42</td>
<td>+ 2,449</td>
</tr>
<tr>
<td>Duplex</td>
<td>1,015</td>
<td>2,242</td>
<td>0.45</td>
<td>859</td>
<td>2,261</td>
<td>0.38</td>
<td>- 156</td>
</tr>
<tr>
<td>Apartment Garden</td>
<td>4,123</td>
<td>16,745</td>
<td>0.25</td>
<td>4,751</td>
<td>16,236</td>
<td>0.29</td>
<td>+ 628</td>
</tr>
<tr>
<td>Townhouse</td>
<td>348</td>
<td>3,639</td>
<td>0.10</td>
<td>537</td>
<td>4,063</td>
<td>0.13</td>
<td>+ 189</td>
</tr>
<tr>
<td>Condo – Garden</td>
<td>632</td>
<td>9,465</td>
<td>0.07</td>
<td>1,000</td>
<td>11,134</td>
<td>0.09</td>
<td>+ 368</td>
</tr>
<tr>
<td>Apartment Elevator</td>
<td>1,507</td>
<td>24,743</td>
<td>0.06</td>
<td>2,212</td>
<td>28,024</td>
<td>0.08</td>
<td>+ 705</td>
</tr>
<tr>
<td>Condo – Elevator</td>
<td>427</td>
<td>10,748</td>
<td>0.04</td>
<td>521</td>
<td>15,690</td>
<td>0.03</td>
<td>+ 94</td>
</tr>
</tbody>
</table>

**Data Sources:**
1. Housing unit data acquired from Arlington County staff via compilation of information from DREA CAMA database and other County resources.
2. Student data from APS’ September 30th official count.
3. Historic student generation factor data from AFSAP reports.
Percentage of Students by Housing Type (All Grade Levels)

<table>
<thead>
<tr>
<th>Housing Type</th>
<th>2004-05</th>
<th>2008-09</th>
<th>2010-11</th>
<th>2013-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Detached</td>
<td>51%</td>
<td>57%</td>
<td>55%</td>
<td>55%</td>
</tr>
<tr>
<td>Duplex</td>
<td>5%</td>
<td>5%</td>
<td>5%</td>
<td>4%</td>
</tr>
<tr>
<td>Apartment Garden</td>
<td>24%</td>
<td>21%</td>
<td>22%</td>
<td>22%</td>
</tr>
<tr>
<td>Townhouse</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Condo – Garden</td>
<td>3%</td>
<td>4%</td>
<td>4%</td>
<td>5%</td>
</tr>
<tr>
<td>Apartment Elevator</td>
<td>9%</td>
<td>8%</td>
<td>9%</td>
<td>10%</td>
</tr>
<tr>
<td>Condo – Elevator</td>
<td>2%</td>
<td>3%</td>
<td>3%</td>
<td>2%</td>
</tr>
</tbody>
</table>

Data Sources:
1. Housing unit data acquired from Arlington County in Spring 2014.
2. Student data from APS' September 30th official count.
### Arlington Demographics

#### County Forecasts and School Enrollment Projections

<table>
<thead>
<tr>
<th>County Forecasts</th>
<th>School Enrollment Projections</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development</td>
<td>People</td>
</tr>
<tr>
<td>People</td>
<td>People (under 18)</td>
</tr>
<tr>
<td></td>
<td>Students</td>
</tr>
</tbody>
</table>

**Time**
- 30-Year Forecast
- 5-Year Intervals
- 5-Year Short-term
- 10-Year Long-term

**Inputs**
- General Land Use Plan
- Sector Plans and Site Plans
- Residential Occupancy Rates
- Average Household Size
- Office Occupancy Rates
- Employment - Space Conversion Factor
- Development Pipeline Data
- Current School Counts
- Cohort Survival Rates – 3-Year Average
- Arlington Resident Births
- Student Generation Rates – By Housing Type
- County Housing Pipeline Data

**Outputs**
- Population
- Employment
- Housing Units
- Households
- Students By Grade Level
Consultants reinforce validity of County and School methodologies and confirm that **two different data sets are necessary to meet different purposes**.
**Immediate/near term steps** could be taken to improve accuracy and transparency
- annual reports & web improvements (APS); document methodologies (ACG)

Data to help refine school enrollment projections:
- **collect (ACG) & analyze (APS) more housing data**: renovations, unit type/bedroom, length of ownership, sales

**Monitoring emerging trends in MF housing** will be important (APS & ACG)

**Launch Phase 2** to study proposed ideas in more detail and assess how ideas could be implemented in the future, including:
- Refine student generation rates, influenced by specific housing factors
- Cohort–component methodology
- Demographic analysis
Challenge #3

A scarcity of land for public facilities
A Finite Amount of Space to Work With

County & School Owned Land

2.2
Square Miles

SCHOOLS, PARKS, & ALL COUNTY FACILITIES PROVIDING SERVICES SHARE THIS 2.2 SQUARE MILES OF SPACE.
A Finite Amount of Space to Work With

**Private Property**
- 14.4 Square Miles

**Right-Of-Way**
- 6.0 Square Miles

**County & School Land**
- 2.2 Square Miles

**Other Government Land**
- 3.5 Square Miles

A Finite Amount of Space to Work With

**Private Property**
- 14.4 Square Miles

**Right-Of-Way**
- 6.0 Square Miles

**County & School Land**
- 2.2 Square Miles

**Other Government Land**
- 3.5 Square Miles
What does that mean?

- Maximum use (and reuse) of what we have
- Joint use of facilities
- Build up, under and over
- Create “new” land
- Acquire land
- Need land for core infrastructure facilities: bus fleet and maintenance; fire stations; utilities/services
Challenge #4

A revamping of our communications strategy

• How do we involve those who are uninvolved?
• Can we reach beyond our current circle of active people new communications technologies?
Recommendations

• Build on Arlington’s tradition of civic engagement to reach new audiences

• Recognize that a diverse population receives information in a variety of ways

• Experiment with new channels of communication, particularly social media
Challenge #4

A need for strategic planning

• What are long term demographic trends?
• What does that mean for future services and facilities?
• How do we plan for that?
Recommendation: 4 Person Strategic Planning Committee

- 2 School Board, 2 County Board
- Dedicated Staff Team
- Community Advisory Body
County Board and School Board tasked Study Committee with proposing “criteria and a process for siting any new County or School facilities or adding new or expanded uses to existing facilities or sites.”
Community Facilities Study Charge

• Study Committee, with input from Resident Forum, has developed **principles** and a **process** for siting public facilities
Siting Principles

1. Be as transparent as possible: share information broadly and communicate regularly.

2. Time and funding are limited: undertake siting processes in a timely and cost-conscious manner.

3. Use resources efficiently: explore multiple-use facilities and designs that could be adaptable over time.

4. Balance County-wide and local needs.

5. Guide discussions and decisions with established plans, policies and goals.

6. Distribute facilities equitably across the County as much as possible.
Siting Process Phases

**Phase 0**
Identify and prioritize facility needs

“**Phase 0**”
- Separate from and prior to siting process
- Determines range of County and School facility needs

### Siting Process

**Phase 1**
Scope identified use and process

**Phase 2**
Identify potential sites

**Phase 3**
Evaluate short list of sites

**Phase 4**
Decision

---

Arlington Community Facilities Study
A resource and facilities plan for our future
Siting Process

• Process is intended to be a project management tool to make siting decisions efficiently, effectively, and with ample community input.

• Process is designed to be flexible and can be easily adapted to different situations:
  • Finding a site for a known facility need
  • Determining the best use(s) for a known site

• Depending on specific circumstances of a project, steps could be modified or eliminated.
Follow the Process

• **Project website:** http://bit.ly/ACGFacStudy and www.arlingtonva.us search “Community Facilities Study”

• **Email us:** ACGFacStudy@arlingtonva.us

• **Facebook:**
  https://www.facebook.com/planArlingtonVA

• **Twitter:** @planArlingtonVA