



2022 Housing Indicator Tool Release

374,000: THE PATH TO AN EQUITABLE CAPITAL REGION

Framing the HIT

In March 2021, HAND released the [Housing Indicator Tool \(HIT\)](#), a platform intended to track local efforts to produce affordable rental housing in the Washington Region. The tool served as a response to the [2019 Urban Institute report](#) that called for the production of 374,000 net new housing units between 2015 and 2030 (39% of which should be affordable to middle-income households, 38% affordable to low- income households) to adequately address the region's affordable housing crisis. The targets used in the tool are benchmarked to locally produced demographic forecasts generated as part of the Metropolitan Washington Council of Government's cooperative forecast. This is important because it means we are not dealing with new information. The tool is using what we already know: there is a severe shortage of housing affordable to low- and middle-income households. Thousands of homes will be needed in the coming decade in these price ranges. The HIT not only demonstrates how the region is collectively faring, but also how things are progressing at the local level. It is our hope that by tracking local action from a regional lens, the HIT will yield more housing options, and facilitate cross-jurisdictional collaboration and participation from private and philanthropic organizations.

We know that housing plays a key role in addressing racial inequity throughout our region and our nation. Housing policy has created the racial and class divides we see even today, and housing policy can and should be the driver to achieving greater racial equity for black and brown communities. HAND amplified this message at the launch of the HIT, and continues to uplift this message as a high priority in the 2022 Release.

The First-of-Its-Kind

To date, there has not been a tool like this within our region. Other affordable housing data tools provide information from several sources, but the data does not always capture the full picture of what is occurring within a given year. Additionally, many communities track their affordable housing data over time and display it in wide ranges of annual, bi-annual or five-year reports specific to one jurisdiction. The combination of data from 14 local jurisdictions within our region differentiates the HIT from other similar resources.

HIT 2.0 - Asking Deeper Questions to Better Understand the Need

Through data collection efforts, HAND dug deeper on several key issues that, based on conversations with policymakers, advocacy initiatives by practitioners and the broader community, have elevated in prominence since the launch of the tool. Working in partnership with Urban, HAND integrated several new questions into the survey issued to each jurisdiction to begin to capture a clearer picture on:

- How rental production efforts have trended for units with income or rent restrictions (“Committed Affordable Housing Units”)
- How production levels have trended for units at or below 30% AMI
- Local production of Permanent Supportive Housing (PSH) units to support our most vulnerable populations
- The level of unmet capital needs for maintenance and rehabilitation of public housing units
- Rental production efforts by local Housing Authorities, including the use of the Rental Assistance Demonstration (RAD) program to produce units
- Preservation efforts at the local level, including existing efforts to track preserved units
- COVID-19 impacts on rental production and preservation
- Clarity on housing policies, including dedicated funding for local housing trust funds, adoption of regional targets, first-time homebuyer assistance programs, emergency rental assistance, first right of refusal programs, transit oriented development, and availability of voucher programs
- Local efforts to achieving racial equity through housing, including:
 - Commitments to creating opportunities for BIPOC developers
 - Identification of prevention of displacement as a priority in jurisdiction long-range planning documents
 - Local commitments to develop or preserve affordable units in ALL neighborhoods across a jurisdiction

2021 in Review

What progress has been made?

- Collectively, the jurisdictions in the region added 24,214 new units in 2021, just short of the annual target of about 25,000 new units. Cumulatively, since 2019, jurisdictions who reported data for the HIT have added 62,756 new units.
- The region increased the production of new affordable rental units in 2021 (3,030 units) relative to 2020 (1,989), but still fell well below the target of about 14,000 affordable units.
- All jurisdictions in the region need to do more to produce affordable units, particularly units in the lower income bands. In 2021, jurisdictions in the HIT only added 186 units affordable to households with incomes below 30 percent of the area median income (AMI), 755 units for those with incomes between 30-50 percent of AMI, and 1,954 units for those with incomes between 50-80 percent of AMI.
- Cumulatively, since 2019, jurisdictions reporting in the HIT have added 8,507 new committed affordable units.
- We revised our graphics on the housing context, added new indicators on housing production and preservation outcomes, and expanded the number of policies the HIT is tracking.

What's new on the tool?

- New and improved graphics providing housing context, new indicators on housing production and preservation outcomes, and additional policies the HIT is tracking.
- Data that highlights the inequities in housing choice and affordability for Black, Indigenous, and people of color in the region, caused by historic and present day structural racism.
- Jurisdictions across the region are building new committed affordable units in MWCOG activity centers and near high capacity transit stations. Six jurisdictions added 75 percent or more of their affordable units in these areas in 2021. This is an increase from just two jurisdictions adding 75 percent or more of their affordable units to these areas in 2020, and four jurisdictions in 2019.

- The HIT is now tracking pipeline data around future affordable rental housing and preservation of existing units. Across the region, jurisdictions reported 5,825 affordable units under construction and 18,174 units in the pipeline. Eight jurisdictions are tracking preservation and reported that 1,983 units with existing subsidies or covenants were preserved to maintain affordability in 2021.

Outcomes and Highlights as a Result of the HIT

HAND knows the HIT is doing its job - jurisdictions are responding to the challenge at hand. We also know more can and needs to be done. Some of the local-level shifts that we have seen since the HIT's launch in 2021 include:

- Prince George's County, MD formally adopted the Metropolitan Washington Council of Government's Regional Housing Targets in June 2021.
- The District of Columbia added a record \$400M to the Housing Production Trust Fund (HPTF) as part of Mayor Bowser's Fiscal Year 2021 (FY) Supplemental and FY 2022 budgets.
- Montgomery County, MD's County Executive Marc Elrich submitted a budget request to allocate \$20M of ARPA funds (\$15 million for capital projects, \$3 million for additional rental assistance, and \$2 million for rapid rehousing) towards affordable housing efforts in the county. *The County Council will vote on the budget in May 2022.*
- Arlington, VA County Manager Mark Schwartz presented his proposed budget in February 2021 which included the following commitments towards affordable housing: AHIF \$16.9 million (level funded); Housing grants \$14.3 million; \$3.7 million (increase of \$588,000); Eviction prevention \$.06 million + \$1.4 million ARPA funds.
- Fairfax County, VA announced in March 2022 that it would increase its local production goal from 5,000 to 10,000 units over 15 years. .
- In March 2022, Loudoun County announced the creation of the Rental Housing Acquisition and Preservation Loan Program, a new affordable housing financing program for developers to support the preservation of affordable, multi-family rental housing units in Loudoun County by making funding available for the acquisition and preservation of rental housing that is either market affordable or affordable through rent restrictions. The program was launched with an initial \$5M in loan funds. In January 2022, Loudoun County was also awarded just over \$10 million in state grants as part of Virginia Housing's Amazon Resources Enabling Affordable Community Housing, or REACH, Program, to support affordable multifamily housing in the county.
- The Council of the City of Alexandria, VA has committed to meeting the local housing goal of 2,000 units by 2025, as well as an additional 2,250 units by 2030 needed to attain COG's regional housing goals for Alexandria. The current estimated financial gap to realize these projects in the coming years exceeds \$80 million.

[Access the 2022 Housing Indicator Tool](#)