

SUBJECT: ASF statement on Duplexes and Missing Middle Housing

DATE: July 15, 2020

Arlington County's "Housing Arlington" Missing Middle initiative -- launched in December 2019 -- is premised on the assumption that increasing the supply of housing even in an elastic/high demand market will provide significantly more affordable housing. In particular, proponents of this initiative have speculated that Missing Middle housing "types" would be affordable for those at or near Arlington's Area Median Income (AMI) of about \$120,000 a year. By rezoning districts that are now limited to detached single-family homes (SFHs) to allow for duplex, triplex or townhouse development, as the country is strongly hinting, more homes might indeed be built -- but at great cost in new services, infrastructure, traffic/transportation, school seats, environmental impact and park demand.

Arlingtonians for Our Sustainable Future (ASF) has advocated for a rigorous quantitative analysis of the costs and benefits of a Missing Middle plan and other accelerated development initiatives. As one example of such a study, ASF provides the excellent [July 2020 analysis of the consequences of duplex development](#) on SFH sites by Dr. [Jon Huntley](#) and [Kody Carmody](#), from [Arlington-Analytics.com](#). Dr. Huntley and Carmody, a senior economist and a researcher respectively at the University of Pennsylvania's Wharton School, show that property and land values are so high in Arlington that duplex ownership will remain beyond the means of a household earning 100% of AMI in all but a few neighborhoods. In order to make them attractive for builders, new duplexes will need to compete on price with new SFHs, which typically start at \$1 million and above in all areas of the county. They find that similar proposals in cities such as Minneapolis are more likely to succeed because those municipalities have much greater diversity of land and property prices.

Further, ASF anticipates gentrification may occur to the extent single-family households of lower socio-economic means are displaced by costly new duplexes. Dr. Huntley and Carmody's study does show that duplexes in some neighborhoods -- although out of reach of 100% of AMI households -- might cost less than large new SFHs on such lots. However, any potential modest benefit of new duplexes must be weighed against the additional costs noted above which flow from added density. Moreover, ASF believes there are tools other than Missing Middle which may address the affordability problem, including stronger preservation rules for existing housing stock. For more information on the costs of increased density, see ASF presentations from February 2020 on the consequences of growth on [fiscal policy](#), [development](#), [environment](#), and [infrastructure](#).