

ASF | ARLINGTONIANS FOR OUR SUSTAINABLE FUTURE

March 31, 2022

ASF Comments on JFAC DRAFT MISSING MIDDLE REPORT

The County and APS tasked the Joint Facilities Advisory Commission (JFAC) with researching how jurisdictions that have adopted Missing Middle (MM) housing policies have addressed impacts on public facilities, including schools. In response, JFAC researched MM policies in six different localities and produced a [draft report March 20, 2022](#). Although the draft report expanded this request to include analysis of non-public facilities -- a scope that is beyond JFAC's charter -- ASF will nevertheless comment on all aspects of the JFAC report. As our topline assessment, ASF notes that the evidence produced by the JFAC report does NOT show that MM housing produces affordability, diversity, or inclusion, which were key to JFAC's line of inquiry. **ASF has three principal comments** on the draft report:

FIRST,

JFAC's draft report highlighted two main points from the jurisdictions studied, namely:

"In most all jurisdictions their intentions for creating new Missing Middle housing policies and opportunities were focused on increasing diversity, inclusion and access to housing opportunity and affordability."

"It was not clear from Commissioner research that the Missing Middle Housing in the jurisdictions researched were able to accomplish the goals of affordability, diversity, or inclusion or if significant enrollment growth occurred because of implemented new policies." [Emphasis added.]

In other words, JFAC has not found evidence that ANY JURISDICTION has achieved affordability, diversity, or inclusion by implementing MM policies. Without such evidence, what would be the justification for implementing similar policies here?

As the commissioners are no doubt aware, urban planning has a history of unfortunate unintended consequences for planners (and communities) who don't carefully think things through before acting,¹ ASF therefore advises that the full spectrum of consequences be considered, especially functions for which JFAC DOES have jurisdiction, such as facilities planning required to support any upzoning.

SECOND,

Arlington is now a leading-edge, tech-fueled community, with Amazon HQ2, George Mason University, the Pentagon, Microsoft, Oracle, Boeing, Consumer Technology Association,

Gartner, among many others. [Arlington's workforce](#) is one of the most educated in the country, with a large population of computer science graduates. Urban studies theorist [Richard Florida](#) [has extensively quoted](#) two leading economists writing on MM effects in high-tech, high income areas, Andrés Rodríguez-Pose and Michael Storper of the London School of Economics. (Quotes reflect either their joint writings or comments by Florida.)

“Housing is an area where the law of unintended consequences is most powerful . . . The idea that upzoning will cause housing affordability to trickle down within our metropolis . . . is based on a narrative of housing as opportunity that is deeply flawed.”

“Upzoning is far from the progressive policy tool it has been sold to be. It mainly leads to building high-end housing in desirable locations.”

"Expensive cities have much larger clusters of leading-edge tech and knowledge industries and of highly educated, skilled talent. It's this, rather than differences in housing prices, that is behind growing spatial inequality."

“The affordability crisis within major urban areas is real, but it is due less to overregulation of housing markets than to the underlying wage and income inequalities, and a sharp increase in the value of central locations within metro areas.”

Florida agrees with this logic and adds that "Upzoning does little to change this fundamental imbalance. Because land in superstar cities and tech hubs is so expensive to begin with, upzoning tends to create even more expensive condominium towers." He quotes Storper and Rodríguez-Pose again who write "While building more affordable housing in core agglomerations would accommodate more people," the authors note, "the collapse of the urban wage premium for less-educated workers means that the extra housing would mostly attract additional skilled workers." "Planning deregulation and housing costs are neither going to solve the problem of areas lagging behind, nor are they likely to have an impact on the economic development of dynamic cities," Rodríguez-Pose and Storper write.

These scholars are not the only ones to raise concerns. Economist [Tyler Cowen](#) agrees that the ultimate beneficiaries from zoning and building deregulation are landlords and developers. As he puts it, "the gains from removing taxes/restrictions on building largely will be captured by landowners ... More stuff will be built, urban output will expand, land still will be the scarce factor, and by the end of the process rents still will be high." And a recent [study by Yonah Freemark](#) found that upzoning in Chicago led to higher, not lower, housing prices, while having no discernible impact on local housing supply.

The draft JFAC report does not recognize the dynamic discussed above nor even consider the possibility that the proposed huge changes to the County's zoning might make things worse for lower-and middle-income families or for racial or ethnic minorities already living in Arlington,

who may find themselves displaced by a wave of highly-paid tech and knowledge workers. ASF has extensively argued these points in multiple engagements with the county and other commissions, including in letters sent [to this commission](#) and the [Housing Commission in October 2021](#).

THIRD,

JFAC should amend its current draft report and address whether the studied jurisdictions were able to, or show signs of being able to, cope with attendant consequences of the MM upzoning, particularly their ability to acquire land for, and budget to construct and maintain public systems and facilities, such as stormwater, water, wastewater, bridges, roads, public health and safety facilities, schools, parks, that satisfy Arlington's significant planned population growth.

CONCLUSION

Given these many concerns, JFAC's final report to the County Board and the School Board should recommend that three types of specific studies should be performed and shared with the community BEFORE any final votes are taken to upzone any portions of Arlington for new MM housing. These studies should be performed comparing current zoning with the proposed MM upzoning:

1. Long-term operating budget;
2. Long-term environmental impact;
3. Long-term household income by quintiles showing projected disparities among different household groups compared to the national average.

¹ Easy Solutions to S.F.'s Housing Crisis? Beware Unintended Consequences, San Francisco Public Press, <https://www.sfpublicpress.org/easy-solutions-to-s-f-s-housing-crisis-bewareunintendedconsequences/>

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