



MEMORANDUM

TO: Fairfax County Board of Supervisors

FROM: Northern Virginia Affordable Housing Alliance

DATE: April 11, 2023

SUBJECT: **Recommendations for Fairfax County's Advertised FY2024 Budget**

My name is Jill Norcross with the Northern Virginia Affordable Housing Alliance (NVAHA) and I would like to thank you for the opportunity to speak tonight in support of an increase in funding for affordable housing, primarily as a representative of a regional organization working to meet the diverse housing needs of Northern Virginia residents. I am also a member of the Affordable Housing Advisory Committee, and a Fairfax County resident.

First, I would like to acknowledge the progress made on many efforts to increase the production and preservation of affordable housing in our community.

- We commend the County for doubling our housing production goal to provide 10,000 new affordable units for residents earning 60% of the Area Median Income by 2034.
- We appreciate the adoption by the Board of Supervisors of the Affordable Housing Preservation Comp Plan Amendment aimed at maintaining the affordability of our existing multifamily housing stock and also your continued work on preservation policies for the manufactured housing stock, in addition to committing to no net loss of committed affordable housing.
- We recognize the committed funding of sufficient staffing resources for the Department of Housing and Community Development and their many non-profit partners which is critical to achieving our shared goals around housing production and keeping residents equitably and stably housed.

In addition, thank you for taking these specific recent actions to demonstrate commitment to achieving our 10,000 new units.

- \$14 million-dollar FCRHA financing in January 2023 to support development of Phase I of the [Residences II at the Government Center](#)
- \$13 million-dollar allocation in December 2022 to support the [SOMOS project in Tysons](#).
- \$3 million-dollar tax exempt bond authorization by the Board of Supervisors in October 2022 to support financing 148 units within the [Ovation at Arrowbrook project](#).

We continue to appreciate one-time funding to fill the gaps, including:

- \$45 million of ARPA funding allocated to affordable housing initiatives
- Proposed \$10 million as part of FY23 3rd quarter review
- And the County's continued ability to identify similar resources for affordable housing in the future (through carryover funding and quarterly reviews). It is crucial that we prioritize affordable housing as the funds become available.

However, despite our well-documented need for affordable housing, our policies to address inequities in the housing delivery system, and our well articulated and agreed upon goals, the County can do more to adequately address the significant funding needs in order to make this important investment in our communities.

- Pre-COVID, Fairfax County had a stated need for increased baseline funding as supported in the 2018 [Communitywide Housing Strategic Plan](#) and through the 2019 [Affordable Housing Resources Panel](#) Recommendations.
- In the County's Budget Guidance for FY 2023 and 2024, the Board made a commitment to "build baseline County funds over the next few years to reach a total investment of two pennies on the Real Estate Tax Rate for the preservation of existing and the development of new affordable housing units."
- As we continue to move toward that goal, we recognize the time is overdue to step up the commitment to ask for a significant increase in the real estate tax baseline funding beyond the 1 cent previously committed.
- We understand there are competing important priorities for the \$90 million balance included in the FY 2024 Advertised Budget, however, an additional 1/2 cent would use only \$16 million of this available balance and the full additional penny would use \$32 million of the available balance—moving us nearer to the \$60 million annual contributions we stated we needed even before COVID.
- Finally, we would like to recognize the need to provide operating dollars for crucial supportive services, especially as we work to truly address homelessness in Fairfax with funding and policy. Without these crucial services needed in best-practice permanent affordable housing, we will not be able to properly address and house the most vulnerable in our communities.

Please consider that increased funding for affordable housing is an investment that we need to ensure that Fairfax County retains our economic advantage of being a strong and thriving business community, as well as, ensure that Fairfax County retains our commitment to addressing the disparities in our resident's outcomes under our One Fairfax initiative. Affordable housing supports both goals. Having a healthy, sustainable and equitable Fairfax County is good for ALL of our residents and for our collective future success.

Thank you for this opportunity to speak today and for your careful consideration of our budget needs for FY 2024.