

Joint Message from FCRHA Chairman Ronald F. Christian and HCD Director Paula C. Sampson

The first decade of the new millennium was a “decade of housing” in the United States. Housing led the economy to great heights in the early years of the decade, but by the very nature of a boom, the spectacular rise in housing values led to unbridled speculation which was followed by a dramatic plunge in values and consumer confidence that shook the economic foundation of this country. The FCRHA rode out the highs and lows, all the time ensuring that even those with low incomes and those just entering the housing market were able to find a place to call home.

In Fairfax County, as the economy flourished, immense pressure was placed on the housing market. The county faced a crisis in the lack of affordable housing as home prices and rents rose dramatically. While jobs were plentiful in the county, affordable housing was not. Young college graduates had to move back home with their parents; fire fighters, police and teachers found they could not afford to live where they worked; and overcrowded and illegal housing cropped up. Apartments that had long been home to working families were suddenly converted to market rate condominiums, unaffordable to families who had lived there for years.

The FCRHA and the Fairfax County Board of Supervisors responded with unprecedented support for affordable housing. The Penny for Affordable Housing was established - with dedicated funding for affordable housing equivalent to a penny of the real estate tax rate. These funds were used to preserve over 2,400 homes as affordable rental housing. Through the joint partnership of the FCRHA, our non-profit partners, for-profit residential developers and HCD’s long experience in financing successfully leveraging public funds, the original goal to preserve 1,000 units was vastly exceeded.

In Fiscal Year 2009 and continuing into Fiscal Year 2010, the nation experienced a serious economic downturn. At the heart of the crisis was the over-inflated and under-regulated housing market. Predatory lending, foreclosures and dramatic declines in housing values led to a freeze in the capital markets, job loss and an overall economic recession in 2008 and 2009. Fairfax County was not immune to the crisis with foreclosures hitting an all-time high and housing values declining as much as 20 percent. For the first time in many year, the county was faced with declining residential property values and an unprecedented budget deficit.

In response, the FCRHA and Fairfax County took a “glass half full” approach and developed the Silver Lining Program. This program financially program financially supported first-time homebuyers and non-profit organizations to take advantage of a lower cost market to buy foreclosed homes. The silver lining

to the overcast housing market was that home prices were now closer within reach to first-time buyers and non-profits could purchase properties to provide housing and services to those in need. In addition, the HCD Homeownership Resource Center counseled thousands of individuals struggling with their mortgages and partnered with attorneys, Realtors® and other groups to reach those at-risk of losing their homes.

Looking back over the past decade, we are proud of our responsiveness and record of success. We know that we have played a critical role in addressing the housing needs of Fairfax County. We look forward to new challenges and partnerships that will focus our resources and energy in the next years on the new Blueprint for Affordable Housing and our collaboration with the Community Services Board, the Office to Prevent and End Homelessness, the Disability Services Board and our valued non-profit partners.

We sincerely appreciate the leadership of the Board of Supervisors and the guidance of our partners and friends. Together, we pledge to continue our mission to help individuals and families in Fairfax County find a place to call home.

Sincerely,
Ronald F. Christian, Chairman
Fairfax County Redevelopment and Housing Authority

Paula C. Sampson, Director
Fairfax County Department of Housing and Community Development