

MINUTES OF THE REGULAR MEETING OF THE FAIRFAX COUNTY  
REDEVELOPMENT AND HOUSING AUTHORITY

March 10, 2005

On March 10, 2005, the Commissioners of the Fairfax County Redevelopment and Housing Authority (FCRHA) met in the FCRHA Board Room, One University Plaza, 4500 University Drive, Fairfax, Virginia, for two presentations.

The first presentation on the Capital Improvement Program (CIP) was given by Robert Stalzer, Deputy County Executive at 6:10 p.m. Mr. Stalzer introduced David Marshall and David Jillson of the Department of Planning and Zoning and thanked them along with staff of DMB and HCD for working with him on preparing the CIP Budget. He gave an overview of the goals and the major changes in the 2006 CIP.

Mr. Stalzer announced that the CIP was released on February 28 in conjunction with the County Executive budget, which is currently being reviewed by the Board of Supervisors and the Planning Commissioners, and is expected to be adopted along with the County budget on April 25, 2005. After responding to questions, Mr. Stalzer requested feedback from the Commissioners.

Commissioner Egan informed him that the FCRHA will review the document and get back with any input it may have. He mentioned that the FCRHA would like to work with Mr. Stalzer in making revitalization more forceful.

Mr. Stalzer concluded his presentation at 6:34 p.m.

The second presentation on the FY 2006 Advertised Budget Plan was given by County Executive Anthony Griffin, beginning at 6:35 p.m. The County Executive gave an overview of his proposed budget submitted to the Board of Supervisors on February 28, 2005.

Highlights from the County Executive's presentation included the continued acceleration in the value of both residential and commercial real estate; proposed reduction of real estate tax rate to \$1.03 per \$100, in response to the rise in real estate values; set-aside of \$2,000,000 for affordable housing as an alternative to the dedication of one penny of real estate tax rate to preserve affordable housing, just in case the "penny for housing" suggestion, which was a recommendation of the Affordable Housing Task Force, does not materialize. He stressed the need to be sensitive to the continuation of existing programs.

After responding to questions from the Commissioners, Mr. Griffin concluded his presentation at 7:06 p.m.

The following Commissioners were present for a portion or all of the presentations: Ronald Christian, Martin Dunn, Willard Jasper, John Kershenstein, H. Charlen Kyle, Elisabeth Lardner\*, John Litzenberger, Jr., Albert McAloon, and Lee A. Rau.

\*Commissioner Lardner arrived during the County Executive's presentation.

CALL TO ORDER

FCRHA Chair, Conrad Egan, called the regular meeting of the FCRHA to order at 7:07 p.m.  
FCRHA Commissioners present or absent:

PRESENT

Conrad Egan  
Ronald Christian  
Martin Dunn  
Willard Jasper  
John Kershenstein  
H. Charlen Kyle  
Elisabeth Lardner  
John Litzenberger, Jr.  
Albert McAloon  
Lee A. Rau

ABSENT

Joan Sellers

Also present at the meeting were the following staff of the Department of Housing and Community Development (HCD): Paula C. Sampson, Director; Harry Swanson, Deputy Director, Revitalization and Real Estate; Patricia Schlener, Director of Administration; Stacy Patterson, Acting Director, HCD Office of Public Affairs; Michael Finkle, Director of Housing Management, (HMD); Michael Wever, Chief, Housing Services Branch, HMD; Curtis Hall, Director, Information Systems and Services (ISS); Anne Morrison, Asset Manager; John Payne, Director, Design, Development and Construction (DD&C); Gordon Goodlett, Development Officer, DD&C; Tom Armstrong, Development Officer, DD&C; Steve Solomon, Director, Financial Management Division (FMD); Joe Maranto, Fiscal Administrator, FMD; Penny Xu, Fiscal Administrator, FMD; Aseem Nigam, Director, Real Estate Finance and Grants Management Division (REFGM); Audrey Spencer Horsley, Associate Director, REFGM; Louise Milder, Associate Director, REFGM); and Winifred A. Clement, FCRHA Assistant. Other Fairfax County staff in attendance: Anthony H. Griffin, County Executive and Executive Director, FCRHA; Robert Stalzer, Deputy County Executive; Alan Weiss, Assistant County Attorney and FCRHA Counsel; David Stroh, Assistant County Attorney and FCRHA Counsel

CITIZEN TIME:

The FCRHA Chair opened Citizen Time at 7:06 p.m. Dave Redman, Chair of the Fairfax-Falls Church Community Services Board (CSB), testified before the FCRHA and presented the annual report of the CSB for 2004 to the FCRHA. After his testimony, Mr. Redman responded to questions from the Commissioners.

Commissioner Christian thanked Mr. Redman for the testimony and for his constant reminders about the challenges his agency faces and indicated that the FCRHA looks forward to continue working with the CSB.

With no one else in the audience wishing to speak, the Chair closed Citizen Time at 7:16 p.m.

APPROVAL OF MINUTES:

A motion was made by Commissioner Christian, seconded by Commissioner Jasper, to approve the minutes of the January 27, 2005, FCRHA meeting as written. A vote was taken; the motion carried, with Commissioner Egan abstaining.

The Chair modified the agenda to consider several agenda items ahead of the other items to enable other participating staff to attend the Planning Commission meeting which was already in progress.

INFORMATION ITEMS:

5. Affordable Dwelling Unit Notification Process – *A brief presentation was made by John Payne, Director, Design and Development Division, on Information Item Number 5. After the presentation Mr. Payne and Ms. Sampson responded to questions from the Commissioners. Commissioner Litzenberger thanked HCD staff for the letter and said this will go a long way in relieving the concerns expressed by homeowners. Commissioner Egan asked HCD staff to follow up with developers to get their feedback on the letter.*

A motion was made by Commissioner Litzenberger, seconded by Commissioner Kershenstein, to accept the information as presented in Information Item Number 5. A vote was taken, and the motion carried unanimously.

6. Affordable Dwelling Unit (ADU) Tracking Report – *John Payne gave a brief presentation on the tracking report. After discussion, Commissioner Kershenstein recommended the FCRHA take advantage of acquiring about 30 of the 89 new ADU units at Fairfield at Fairchase, located near the Government Center. Commissioner McAloon asked for a listing of all accessible units in the ADU Program. Commissioner Egan stressed the need to encourage developers to develop more accessible units.*

11. Status of Cedar Ridge Apartments – *brief discussion*

12. Plans for Redevelopment of Sunrise Houses I & II - *brief discussion on two properties in Sully District needing repairs due to wear and tear. Health Department has condemned septic field; HCD is starting preliminary studies for a replacement house that would be more serviceable, attractive and similar to other houses in the area.*

CONSIDERATION ITEMS:

1. AFFORDABLE HOUSING ACTION PRESERVATION ACTION COMMITTEE  
RECOMMENDATIONS

Deferred to later in the meeting.

## 2. REVISED TAX-EXEMPT MULTIFAMILY HOUSING FINANCING PROGRAM

Aseem Nigam, Director of Real Estate Finance and Grants Management gave a presentation on a proposal to streamline certain provisions contained in the issuance and sales of tax-exempt bonds to make it more competitive and be a better financing tool for organizations producing and preserving affordable housing in Fairfax County. The revisions allow for the elimination of one Loan Committee meeting and one FCRHA meeting.

After further discussion the following resolution was put forth for consideration

### RESOLUTION NUMBER 11-05

#### RESOLUTION OF THE FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY IN CONNECTION WITH THE ISSUANCE AND SALE OF TAX-EXEMPT BONDS

WHEREAS, the Fairfax County Redevelopment and Housing Authority ("FCRHA") is a political subdivision of the Commonwealth of Virginia, established pursuant to the Virginia Housing Authority Law, Title 36, Chapter 1, *Code of Virginia*, 1950, as amended ("Act"), and is authorized thereby to issue its notes and bonds from time to time to fulfill its public purposes within the meaning of the Act; and

WHEREAS, pursuant to and in accordance with the Act, the FCRHA issues and sells its Multifamily Housing Revenue Bonds ("Bonds"); and

WHEREAS, such Bonds are issued by the FCRHA in accordance with the provisions of its Tax-Exempt Multifamily Housing Financing Program ("Program"); and

WHEREAS, it is the desire of the FCRHA to streamline certain provisions contained within the Program to make it more competitive and be a better financing tool for organizations producing and preserving affordable housing in Fairfax County.

NOW, THEREFORE, BE IT RESOLVED that the FCRHA approves the improved Program application procedure and approval process presented at its March 10, 2005, meeting and authorizes the Director of the Department of Housing and Community Development, or any Assistant Secretary of the FCRHA, to execute a Declaration of Intent on behalf of the FCRHA in the case of projects for which a Declaration of Intent is needed.

A brief presentation was given by Margo Stern, in which she expanded on the advantages of streamlining the process. After the presentation, Ms. Stern responded to questions from the Commissioners.

A motion was made by Commissioner Dunn, seconded by Commissioner Christian, to adopt Resolution Number 11-05.

Commissioner Kershenstein voiced his concerns about delegating such responsibility to HCD staff. Another option, he said, was for the FCRHA to call special meetings in cases where immediate actions are required.

After further discussion, a vote was taken by roll call as follows:

AYE

Conrad Egan  
Ronald Christian  
Martin Dunn  
Willard Jasper  
Charlen Kyle  
Elisabeth Lardner  
John Litzenberger, Jr.  
Albert McAloon  
Lee Rau

NAY

John Kershenstein

ABSTAIN

The motion carried, with Commissioner Kershenstein dissenting.

ACTION ITEMS:

1. RESOLUTION NUMBER 09-05

ADOPTION OF THE FY 2006 PUBLIC HOUSING UNDER MANAGEMENT  
OPERATING BUDGETS FOR ANNUAL CONTRIBUTIONS  
CONTRACTS P-184 AND P-2530

BE IT RESOLVED, that the Fairfax County Redevelopment and Housing Authority (FCRHA) approves the FY 2006 budget for Annual Contributions Contracts P-184 and P-2530 presented at its March 10, 2005 meeting, which is necessary for the operation of the FY 2005 Public Housing under Management Program totaling 1,002 and 62 units, respectively, and authorizes submission of the budget to the U.S. Department of Housing and Urban Development.

A motion was made by Commissioner Dunn, seconded by Commissioner McAloon, to adopt Resolution Number 09-05. A vote was taken after discussion, and the motion carried unanimously.

2. RESOLUTION NUMBER 10-05

AUTHORIZATION TO EXTEND THE PERMANENT FINANCING FOR MCLEAN HILLS  
AND SPRINGFIELD GREEN (PROVIDENCE DISTRICT AND LEE DISTRICT)

BE IT RESOLVED that the Fairfax County Redevelopment and Housing  
Authority:

1. Authorizes extending the approximate \$712,684 outstanding current balance of a loan held by Bank of America, secured by units at McLean Hills and Springfield Green, for a period of 10 years at an interest rate not to exceed 5% per annum.
2. Authorizes the Chairman, Vice Chairman, Secretary or an Assistant Secretary to execute all necessary documents to effectuate the extension of the loan. The final documents shall be substantially in the form made available at this meeting, with such additions, deletions and modifications thereto as may be approved by the Chairman, Vice Chairman, Secretary or an Assistant Secretary.

A motion was made by Commissioner Dunn, seconded by Commissioner Jasper, that the FCRHA adopt Resolution Number 10-05. James Bray, Senior Real Estate Finance Officer, Real Estate Finance and Grants Management Division, gave a brief presentation on Resolution Number 10-09. After the presentation, Mr. Bray responded to questions from the Commissioners. A vote was taken after discussion, and the motion carried unanimously.

At this point, Chairman Egan changed the agenda to consider the rest of the Information items before Consideration Item Number 1.

INFORMATION ITEMS Cont'd

1. Fairfax County Redevelopment and Housing Authority Meeting Summary – January 27, 2005
2. Contracts of \$50,000 or Less
3. Minutes of the Planning and Development Committee Meeting – March 2, 2005 – *Correct the minutes to indicate that Commissioners Litzenberger and Jasper were in attendance.*
4. Minutes of the Finance Committee Meeting – March 2, 2005
7. Notification of Award of Allocation of Sponsoring Partnerships and Revitalizing Communities (SPARC) Mortgage Funds and Home Stride Downpayment and Closing Costs Assistance from the Virginia Housing Development Authority

8. Notification of Grant Award for the Fiscal Year 2004 U.S. Department of Housing and Urban Development's Super Notice of Funding Availability
9. Status of Public Housing Community Service Program – *Brief presentation by Mike Finkle, Director of Housing Management, HCD, followed by brief discussion. Commissioner McAloon suggested that details of the program be discussed at another HOMS Committee meeting and that HUD be asked to modify the process to reduce the burden created as a result of implementing the program.*
10. FY 2004 Audited Financial Statement, Single Audit Statements, and Management Letter Comments – *The FCRHA expressed pleasure in the results of a recent audit results and requested that a letter, under the signatures of both the FCRHA Chair and the Finance Committee Chair, be sent to Stan Underwood, former Director of HCD Financial Management Division, commending him for laying the groundwork for the excellent results HCD has continued to receive in its audit reports.*
13. Fairfax County Redevelopment and Housing Authority Calendar of Meetings – April and May, 2005 – *Commissioner Kyle noted that the Commissioners receive a calendar of the FCRHA meetings once a year, in addition, they also receive a calendar for the next two months at every FCRHA meeting. She requested that some indication be made whenever there are changes in the original calendar. It was explained that unless indicated, there are no changes and whenever there are changes they will be clearly marked.*

CONSIDERATION ITEM – Previously deferred earlier during meeting

1. RECOMMENDATIONS OF THE AFFORDABLE HOUSING PRESERVATION ACTION COMMITTEE

Chairman Egan gave an overview of the Affordable Housing Preservation Action Committee (AHPAC). He thanked HCD Director Paula Sampson, Delegate James M. Scott, Virginia House of Delegates, the various sub-committee members, and other Fairfax County staff in general, for their contribution toward completing the project ahead of schedule. Mr. Egan said he was pleased that the final report was ready to be presented during the 2006 budget hearings. He thanked Commissioner Kershenstein for the bridge he has established with the Planning Commission, which is also a part of the hearing process.

Mr. Egan proceeded to reviewed each of the recommendations in the final committee report. He said saying that the Committee recognized that unless there is a broad and lasting constituency, the objectives of the report would be unattainable. He stressed the importance of Recommendation #12 as an important link to all of the recommendations contained in the report.

Commissioner Egan concluded by informing his colleagues that he has signed up to speak as Co-Chairman of the AHPAC on April 6 at the budget hearings. The FCRHA endorsed Commissioner Christian representing them in testimony to the Board of Supervisors regarding the penny for housing on April 5.

The County Executive explained that the report has already been presented to and accepted by the Board of Supervisors. He, however, cautioned the FCRHA that the Board has expressed some concerns about the issue of overcrowding and its associated health issues.

Commissioners Egan, Christian, and Ms. Sampson proceeded to respond to questions from the Commissioners.

BOARD MATTERS – See Attachment #1

ADJOURNMENT

A motion was made by Commissioner Christian, seconded by Commissioner Jasper, to adjourn the meeting at 8:47 p.m. A vote was taken, and the motion carried unanimously.

(Seal)

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Conrad Egan, Chair

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Paula C. Sampson, Assistant Secretary