



County of Fairfax, Virginia

To protect and enrich the quality of life for the people, neighborhoods and diverse communities of Fairfax County

NOTICE OF MEETING

Fairfax County Board of Supervisors
Housing Committee

Tuesday, November 10, 2020
11:00 am

Conference Room 11

AGENDA ITEMS

1. Making Progress: Update on Affordable Housing Goals *(Tom Fleetwood)*
2. Presentation and Discussion: Affordable Homeownership Programs *(Tom Fleetwood)*
3. Other Business
4. Next Meeting

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Board of Supervisors Health, Housing, and Human Services Committee Meeting

PROGRESS OVERVIEW ON HOUSING GOALS

Tom Fleetwood, Director
Department of Housing and Community Development (HCD)

November 10, 2020

Communitywide Housing Strategic Plan

➤ **Goal: New Production and Resources:**

- Produce a minimum of 5,000 new affordable units over the next 15 years

➤ **Goal: Preservation of Affordable Housing Units**

- The Board reaffirmed its commitment to no net loss of existing market affordable units

➤ **Goal: Innovative land use policies, regulatory toolbox, and financing mechanisms**

- The Board directed Deputy County Executive for planning and development to explore

Recommendation to the Board on Resources to Achieve Goal:

- Increase the Affordable Housing Fund the equivalent of one additional cent on the real estate tax rate (in addition to the current half penny)*.
- Transfer of county land for affordable housing purposes, and co-location.

** investment deferred as a result of COVID-19*

➤ GOAL: New Production and Preservation

Construction

Projects	Project Type	No. Units	Status
Murraygate	Preservation	200	Complete – Dec 2020
North Hill	New - PPEA	279	Complete – Fall 2022
Arden	New - Finance	126	Complete – Summer 2022
New Lake Anne House	New - Finance	240	Complete – Summer 2022
TOTAL		845	



➤ **GOAL: New Production and Preservation**

Design

Projects	Project Type	No. Units	Status
Stonegate Village	Preservation	240	Design
One University	New - PPEA	240	Close - Summer 2021
Oakwood	New - PPEA	150	Close - Summer 2021
Autumn Willow	New - PPEA	150	Tax Credits – Summer 2021
West Ox/Route 50	New - PPEA	30	Unsolicited PPEA Oct 2020
Arrowbrook	New - Finance	274	Close – Dec 2020
Little River Glen IV	New - HCD	60	Tax Credits – Summer 2021
Little River Glen Renovation	Preservation	120	Tax Credits – Summer 2021
TOTAL		1,264	



➤ **GOAL: New Production and Preservation**

Pre-Design

- Review Board owned properties with existing facilities, vacant, remnant parcels, etc.
- Review current CIP and proposed bond referendum projects for co-location opportunities
- Review existing FCRHA property for potential new or redevelop options
- Coordinate with Developers on affordable housing opportunities, both new and preservation
- Currently working on a variety of opportunities that could yield as many as nearly 2000 new homes

➤ **GOAL: Innovative Land Use Policies, Regulatory Toolbox & Financing Mechanisms**

➤ **Workforce Dwelling Unit Policy**

- **Objective:** Enhance the delivery of units for lower-income households. Comprehensive Pan Amendment for the Housing and Land Use elements for the Policy Plan and for specific guidance on the Area Plans and the Glossary.

➤ **Affordable Housing Preservation Task Force**

- **Objective:** Develop policy recommendations for creative and sustainable preservation of the county's existing stock of affordable housing consistent with One Fairfax and industry best practices.

Questions/Comments



Board of Supervisors Health, Housing, and Human Services Committee Meeting

Homeownership Programs and Opportunities

Tom Fleetwood, Director
Department of Housing and Community Development (HCD)

November 10, 2020

History and Overview

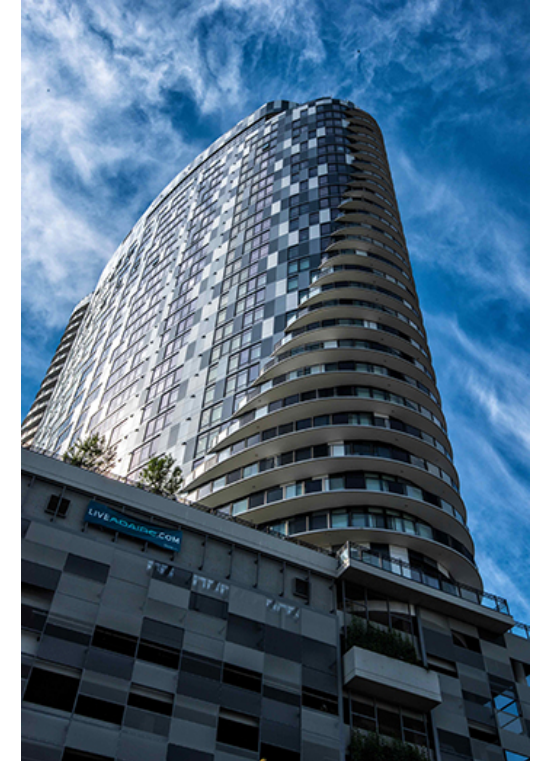
- HCD has decades of experience in providing a pathway to homeownership for low and moderate-income households
- Multiple paths
 - Inclusionary Zoning
 - The FCRHA as a lender
 - Down payment and closing cost assistance
- Challenges and opportunities – a discussion

Inclusionary Zoning

- FTHB programs serving families up to 70 percent of AMI
 - First **Moderate-Income Direct Sales** unit sold in 1978
 - **Founders Ridge** – 1996 BOS approved 80 townhome units in lieu of approved 108 multi-family housing units, which were dedicated to HCD in partial fulfillment of proffer commitments for families with income below 50% AMI
 - **Affordable Dwelling Units (ADUs)** - Fairfax County Board of Supervisors approved the ADUnit Ordinance in July 1990

Inclusionary Zoning continued

- **Workforce Dwelling Unit** program serving families at 80-120 percent of AMI
 - Generally follows same rules as ADU Program
 - Allows Lenders to Underwrite WDU loans subject to ADU minimum credit scores and required down payment amount
 - Don't have to be a first-time homebuyer but do have to sell home before buying a WDU
 - First for-sale WDUs in FY 2019
- **Success Stories**
 - FY 2020 – Seven new WDUs sold
 - Single parent bought a WDU in community near child's elementary school



HCV Homeownership Program

- A path from rental subsidy to homeownership
- Serving our most economically vulnerable households with up to 25 Housing Choice Vouchers (HCV) for homeownership
- Three HCV renters purchased ADUs in FY 2020
- **Success Stories**
 - Couple with four children purchased ADU with HCV after renting for six years
 - Family of four moved off the HCV homeownership program as income increased and able to pay the entire mortgage on their own

Down Payment & Closing Cost Programs

- **Virginia Housing SPARC** funds for first-time homebuyers of market rate homes in Fairfax, set aside funds to reduce principal interest by one percent.
 - CY 2020, \$14 million in SPARC served 31 families to date
- **Community Development Block Grant** – up to \$10,000 in forgivable Down Payment Assistance (DPA) for purchasers of FTHB units. Must live in the home for five years.
- **Success Stories**
 - Couple bought ADU in 55+ community after renting up until then

Homeownership Programs and Equity Growth

- Existing programs provide a sustainable path to ownership, but equity is limited
- Expanding FCRHA lending role may provide a broader path to building equity
 - DPA programs provide instant equity without affecting owner's equity growth
 - FCRHA pilot program may assist new homebuyers below 50 percent AMI and not require equity split

Questions/Comments