



Affordable Housing in Fairfax County: Cornerstone of a Bright Future

January 7, 2020



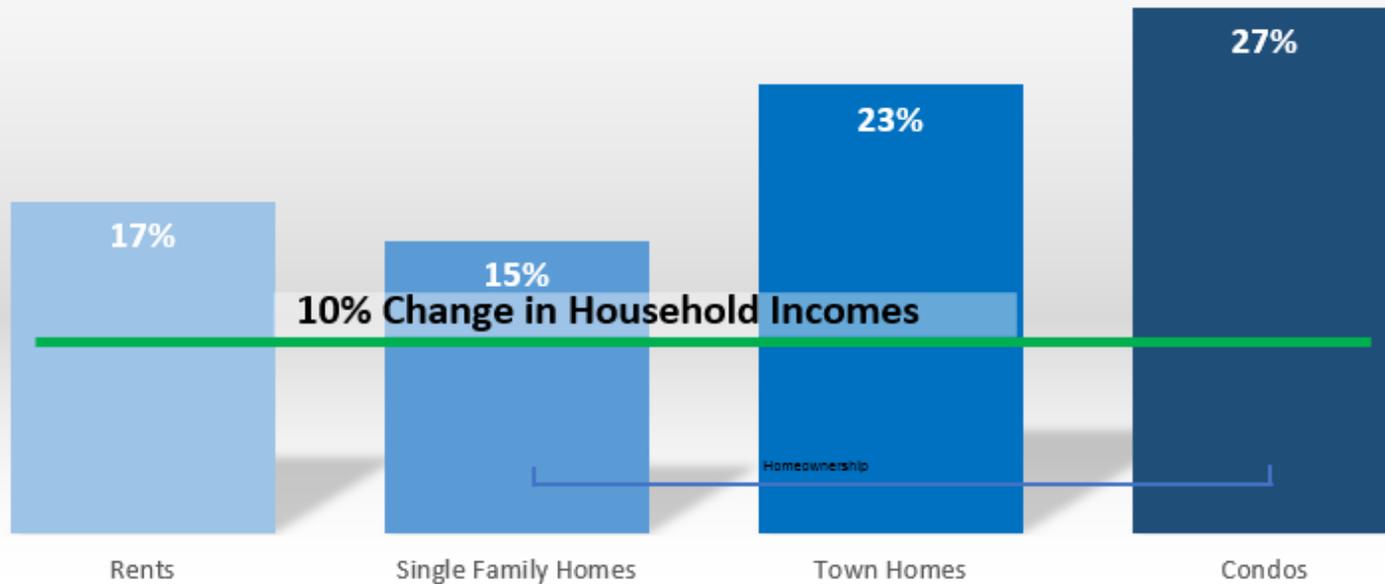
Housing that is Affordable – A Critical Challenge

- Need 15,000 net new homes, identified as part of housing planning process, for families at 60 percent of AMI and below in the next 15 years
- About 30,000 low-moderate income renters are paying more than a third of their incomes for housing
- Almost 71,000 households in the county earning \$50,000 or less
- Rising rents and stagnant incomes mean the Fairfax County housing market is increasingly out of reach for lower income people
- Lack of housing affordable to a range of incomes poses major challenges to attracting and retaining businesses



Housing Costs are Rising in Fairfax County and Incomes are Not Keeping Up

Change in Housing Costs Between 2010 and 2015



Source: U.S. Census Bureau American Community Surveys, 2010 and 2015; MRIS



Why Having a Range Of Price and Age-appropriate Housing Matters in Fairfax County

Housing serves as a platform for **individual and family well-being**

Economic self-sufficiency and upward mobility

Student achievement and academic success

Physical and mental health and well-being

Housing is the basis for **inclusive and diverse communities**

Equitable access to opportunities and services, regardless of race and socioeconomic status

Communities in which everyone can prosper

Housing supports sustainable **local economic growth**

Housing opportunities to encourage people to both live and work in the community

Short commutes, easier to attract and retain workers

Communities that are world-class places to live, work and play



The FCRHA and Our Impact on the Community



About the Fairfax County Redevelopment and Housing Authority (FCRHA)

- The preeminent provider of affordable housing in Fairfax County. FCRHA also serves as the County's local finance agency.
- The Department of Housing and Community Development (HCD) acts as the staff to the FCRHA and manages all county and FCRHA affordable housing programs and activities, including...
 - Affordable housing financing and development
 - Rental assistance
 - Affordable housing communities



Impact in the Community: Fast Facts

■ The FCRHA owns/operates:

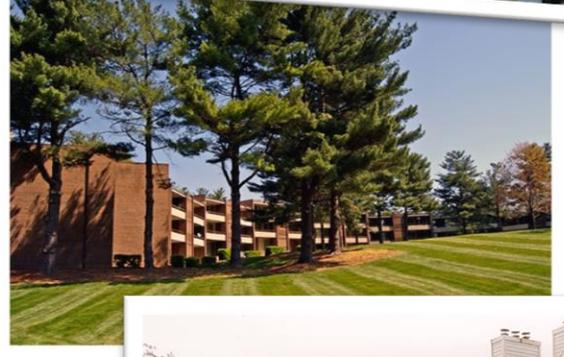
- 3,035 multifamily units, including federally-subsidized units formerly known as “Public Housing”
- 482 senior housing units
- 112 licensed assisted living beds
- 224 units/beds of specialized housing

■ The FCRHA provides:

- 3,936 Federal Housing Choice Vouchers (includes Mainstream, FUP and VASH)
- 262 Local/State Rental Subsidy Vouchers
 - 164 vouchers for Bridging Affordability
 - 98 vouchers for SRAP



Our Properties





Impact in the Community: Fast Facts

- Nearly 20,000 people live in housing provided by the Fairfax County Redevelopment and Housing Authority (FCRHA) and Fairfax County
- Countless more live in privately-owned housing developed with FCRHA financing
- Housing programs are meeting our mission:
 - Average household income served: \$26,127 for a family of three (27 percent of Area Median Income – “extremely low income”)
 - Approximately 35 percent of all households served in FCRHA/HCD programs include a person with a disability
 - Approximately 60 percent of homeless households placed in long-term affordable housing are served by FCRHA resources.



About the Communitywide Housing Strategic Plan

- In June 2018, the Board approved Phase 1 of its first-ever housing strategic plan, called the Communitywide Housing Strategic Plan
- This first phase led to the creation of 25 short-term strategies that can be implemented in the next two years



About the Communitywide Housing Strategic Plan

- Phase 2 of the Plan includes longer-term strategies for developing new tools, policies, and resources to support the production, preservation, and access to housing that is affordable
- The Board created the Affordable Housing Resources Panel to provide recommendations on...
 - *The number of additional affordable housing units the County should work toward developing and preserving, and*
 - *The funding sources and mechanisms by which these units should be developed.*
- These recommendations were adopted as part of the budget guidance.



Significant Progress on all Fronts

- Phase One Recommendations – a few highlights
 - **Refinancing of Wedgewood (Mason District) and Crescent (Hunter Mill District)**
 - Savings of over \$800,000 annually to be invested in affordable housing
 - **Accessory Dwelling Units**
 - Work underway to update policy



Significant Progress on all Fronts

- More Phase One highlights
 - **Expanding the use of FCRHA bonds**
 - Both Parkwood (Mason District) and Murraygate (Lee District) projects used FCRHA bonds
 - A total of \$50 million in bonds
 - **Updating the WDU Program**
 - Work in progress with task force
 - Recommendations coming this year



Significant Progress on all Fronts

Fairfax County is taking a number of bold steps to address housing affordability in a substantial and meaningful way

- Immediate new investment
 - Dollars
 - Land
 - Institutional Capacity

- Long-term investments
 - Dollars
 - Land Use Policy



The Affordable Housing Resources Panel Recommendations

Structured into five strategic areas:

- Need, new production goals, and resources
- Land use policies and regulations
- Preservation of affordable units
- Institutional capacity
- Community awareness and legislative priorities



Panel Recommendation: New Production Goal And Resources

Goal:

- Produce at least 5,000 new affordable units over the next 15 years throughout the County using public financial resources
- The 5,000 unit recommendation is a floor not the ceiling

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). Also use transfer of county land for affordable housing purposes, and co-location.



Panel Recommendation: New Production Goal And Resources

Recommendations to Surpass the 5K by 15 Goal:

- Directed Deputy County Executive for planning and development to explore innovative land use policies, regulatory toolbox, and financing mechanisms



Panel Recommendation: Preservation Of Affordable Housing Units

- The Board, at the recommendation of the AHRP and Embark Housing Work Group, reaffirmed its commitment to no net loss of existing market affordable units to be achieved through public financing and land use policy and prioritization of current funding of a half a penny in the Penny for Affordable Housing Fund.



Panel Recommendation: Institutional Capacity

- The Board should invest in additional capacity in the county's regulatory agencies and HCD to facilitate and expanded affordable housing development



Panel Recommendation: Community Awareness And Legislation Priorities

- Ensure that affordable housing is a critical focus area in the Countywide Strategic Plan
- Ensure that affordable housing has a prominent place in the Board's legislative program – support state funding and actions to increase the availability of affordable housing options and prevent homelessness
- Promote community awareness of, and support for affordable housing through a dashboard to track high level progress



A Robust Pipeline

- Ongoing and pipeline of multifamily preservation projects of 645 rental homes
- There is a pipeline of over 1300 new rental homes for families earning 60 percent of the Area Median Income and below in eight developments across the county
- Combination of:
 - Public/private partnerships
 - FCRHA financing – bonds and Board resources
 - FCRHA projects



Autumn Willow Senior Housing



Springfield District

Located on Lee Highway, Fairfax

Summary:

- Board transferred land to the FCRHA
- Long-term ground lease and public/private partnerships (P3) to create up to 150 affordable senior housing units.

Status:

- RFP out now



Housing At Route 50/West Ox Road



Sully District

**Located near
Route 50 and
West Ox Road**

Summary:

- This project is envisioned to provide a “Supportive Housing” development.
- The project is anticipated to include up to 30 units of affordable housing.

Status:

- To be transferred to the FCRHA for a P3 project; before the Board on January 14



Little River Glen IV



Braddock District

**Located at the intersection of
Little River Turnpike and Olley
Lane**

Summary

- The project is in the feasibility stage of the development.
- Up to 60 affordable senior housing units.

Status:

- Parking study underway other feasibility underway



North Hill



Mount Vernon District

Located on Richmond Highway, Alexandria

Summary:

- A balanced P3 solution that leverages Fairfax County Redevelopment and Housing Authority land through a long term nominal fee ground lease to create 279 affordable housing units, including 63 senior affordable housing units.
- Approximately 12 acre Park.
- 175 Market Rate Townhomes.
- Contributing to the revitalization of the Route 1 corridor.



North Hill



Mount Vernon District

Located on Richmond Highway, Alexandria

Funding:

- Private equity, LIHTC, and County resources.

Status:

- Rezoning is completed.
- Site plans submitted.
- LIHTC was awarded in June 2017.
- Finance closing and start of construction are planned for Q1 2020.



Oakwood Senior Housing



Lee District

Located at the intersection of Oakwood Road and South Van Dorn Street.

Summary:

- PPEA development to create 150 affordable senior housing units.
- Arlington Partnership for Affordable Housing (APAH) selected as developer.

Funding:

- Private equity and LIHTC.

Status:

- Land use process



One University



Braddock District

Located at the intersection of Ox Road and University Drive.

Summary

- PPEA development to create:
 - 120 affordable housing units.
 - 120 affordable senior housing units.
 - Up to 333 student housing units.
- A developer has been selected.

Funding:

- Housing Blueprint, private equity and LIHTC.

Status:

- Land use process completed
- Seeking financing



Arrowbrook



Dranesville District

**Located in
Herndon**

Summary:

- Addition of 274 units of affordable housing in a highly cost-burdened Herndon/Reston area. Arrowbrook Centre Apartments will offer 42 three-bedroom units that are in high demand in area.
- The project is within a mile of the Innovation Center Metro station, Worldgate shopping and restaurants, food stores and Clocktower Shopping Center.



Arrowbrook



Dranesville District

**Located in
Herndon**

Funding:

- Housing Blueprint funds in the amount of \$7,725,000 after the construction is complete. The FCHRA will issue short-term bonds for approximately \$22M for this transaction in summer 2020 as well.

Status:

- Will Close in summer 2020



The Arden



Mount Vernon District

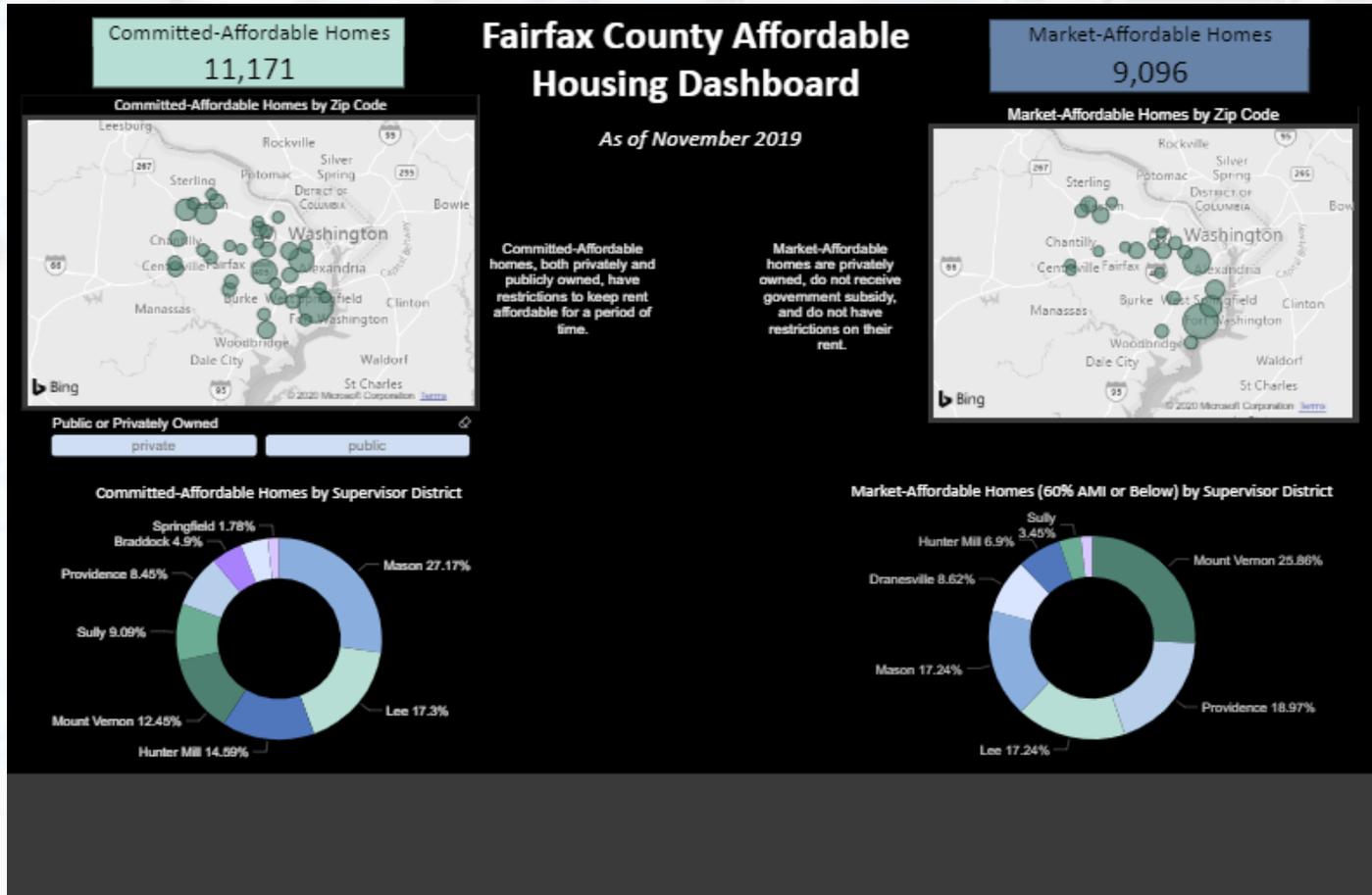
**Located in
Alexandria, VA**

Summary:

- Within walking distance of the Huntington Metro Station, The Arden will consist of 126 units, two buildings, with a small commercial/office space. Affordability ranges from 40 to 60 percent of the AMI.
- Financed with Blueprint funds, CDBG, State REACH funds, LIHTC
- Expected to close March 2020



Accountability in the Community





Questions/Comments