HOUSING RE-UP INITIATIVE

Affordable Housing Renewal & Acquisition

FISCAL YEAR (FY) 2027

Fairfax County Department of Housing and Community Development
Fairfax County Redevelopment and Housing Authority

Empowering Communities,
Building Futures.

Today's Agenda

Opening Remarks + HCD Team Intros
Overview of Housing Re-Up
Requirements for Eligible Applicants
Minimum Project Requirements + Application Guidelines
Federal Regulations
Financing and Funding Terms
CDBG, HOME AND HOME CHDO Information
Evaluation Criteria and Application Components
Post-Closing Demographic Reporting / Monitoring
Appendix +Resources

Empowering Communities,
Building Futures.

Housing and Community Development (HCD) Team

Thomas Fleetwood, Director,

Department of Housing and Community Development (HCD)

Anna Shapiro, Deputy Director Real Estate Finance & Development

Callahan Seltzer, Real Estate & Community Dev Finance Director

Grants Management Team

- Associate Director

  Laura Lazo Laura.Lazo@FairfaxCounty.gov

- Program Managers

  Jenny Hsu Jenny.Hsu@FairfaxCounty.gov

  Sherryn Craig Sherryn.Craig@FairfaxCounty.gov

- Program Coordinator

  Sharon Shields Sharon.Shields@FairfaxCounty.gov

- Management Analyst

  Michelle Smith Michelle.Smith@FairfaxCounty.gov

HCD Services

- Relocation Assistance

  Ivona Andrews- Ivona.Andrews@FairfaxCounty.gov

- Environmental Review (ER), Davis Bacon, Section 3

  James Choi Byoung.Choi@FairfaxCounty.gov

Empowering Communities, Building Futures.

Overview of Housing Re-Up

Estimated **$1.8 million** available in Community Development Block Grant (CDBG), and HOME Investment Partnerships Program (HOME)

Funding supports safety and affordability by:

- Modernizing infrastructure and systems
- Improving climate resiliency and energy efficiency
- Reducing operating costs
- Enhancing quality of life

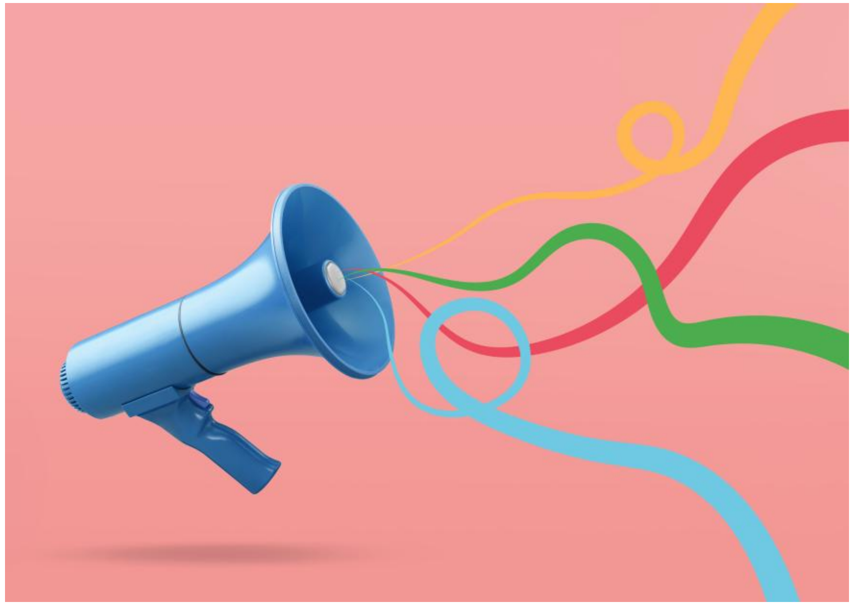
CDBG
Community Development Block Grant

the HOME program

Overview of Housing Re-Up

FY 2027 CDBG/HOME/CHDO RFP Released August 6, 2026	
August 11, 2026	Preproposal Conference
September 21, 2026	Submission Deadline (4:30 pm)
October / November	Reviewing and Scoring Proposals
December 17, 2026	FCRHA Approval of Funding Award
January 2027	Post-Kickoff Meeting

Overview: What's New in FY 2027 Request for Proposal (RFP) Rehabilitation Only Projects



💰 Updated Funding Priorities

- Focus on Preservation and Rehabilitation

✔️ Loan Terms and Conditions

- Affordability Period: TBD based on grant or loan, commensurate with the amount of funding and federal requirements

💻 Application Process Improvements

- Longer application period

📊 Release of funds

- Submission of preservation/rehabilitation invoices

Overview: Housing Re-Up Funding Priorities

Extra points for projects with residential units that meet one or more of the following criteria:

- Preserve permanent affordable rental housing.
- Serve special needs populations.
- Project can be completed by the end of the current fiscal year (June 30, 2027).

Empowering Communities, Building Futures.

Requirements for Eligible Applicants

Must be designated as a **501(c)(3)** by the IRS

No current debarment: any person or firm suspended or debarred from County, State, or Federal procurement is **ineligible**

Applies to both **applicants** and any **partner organizations**

Empowering Communities, Building Futures.

HOME Community Housing Development Organizations (CHDO)

Must meet all basic eligibility requirements

- Must be **certified as a CHDO** for each specific use of HOME funds
- **Preliminary CHDO certification** applications may be submitted with this RFP
- See **Worksheet H – CHDO Checklist** for full criteria and required documentation

More info: [HOME CHDO - HUD Exchange]

Empowering Communities,
Building Futures.

Minimum Project Requirements

Plan and Policy Alignment

- **Five-Year Consolidated Plan** for FY 2027-2031 and FY 2027 One-Year Action Plan, which can be found at FY 2027-2031 and FY 2027 Consolidated Plan
- **Communitywide Housing Strategic Plan**, which can be found at https://www.fairfaxcounty.gov/housing/communitywideplan
- **Fairfax County Countywide Strategic Pla**n, and specifically the priority area entitled "Housing and Neighborhood Livability," which can be found at https://www.fairfaxcounty.gov/strategicplan/housing-neighborhood-livability

Empowering Communities, Building Futures.

Eligible Projects

Funding may be used for acquisition and rehabilitation of affordable rental housing for low- and moderate-income households, including:

- Scattered-site units (condos, townhomes, single-family)
- Multifamily properties (30 units or fewer)

Involuntary displacement of tenants could impact your ability to use awarded funds.

Eligible Projects

- Located in Fairfax County (incl. Towns of Clifton, Vienna, Herndon) or Cities of Fairfax/Falls Church
- Complies with FCHCD Rehab Standards for Affordable Housing (see CDBG/HOME Rehab Standards)
- Permitted under existing local zoning/regulatory requirements
- No expansion/improvement of County-owned or other publicly owned residential facilities

Federal Regulations

Conflict of Interest

Build America, Buy America (BABA) Act

Lead-Based Paint (LBP) Testing

Davis-Bacon Act

Section 3

Environmental reviews

Relocation (URA)

Recipients must use SAVE or another federally approved system to verify legal U.S. presence.

Eligible Soft Costs (Examples)

Professional services: architectural, engineering, environmental reviews, appraisals, legal, accounting, title, and lender-required reports

Permits, recordation, and developer/builder fees

Project audits (CPA-certified costs)

- Marketing and fair housing information
- Initial operating deficit reserve (up to 18 months)

Impact fees and property insurance during development

Examples of Ineligible Federal Program Activities

- Installation of luxury items (e.g., pools, hot tubs, saunas, fireplaces, elaborate landscaping, high-end finishes).
- Equipment or furnishings not integral to the structure (e.g., window A/C units, washers, and dryers).
- Cosmetic-only improvements, unless incidental to essential work (e.g., touch-up painting during roof replacement).
- Routine maintenance or minor repairs (e.g., drywall patching, landscaping, lawn care, general upkeep).
- General Administration or overhead costs.

Project Underwriting

Each time RFP funds are used for an acquisition and/or rehab, there must be an underwriting process and presentation to the Loan Underwriting Committee (LUC) for approval.

A written contract between nonprofit and FCRHA is prepared after LUC approval but prior to, and as a condition, of the closing.

Underwriting ensures that Fairfax County remains compliant with the federal requirements related to the use of awarded CDBG & HOME funds.

Financing Terms- Acquisition Only

Type of Financing: Deferred non-amortizing loan

Interest Rate: 2% deferred, simple interest.

Affordability Period & Maturity: 30 years or less, to be determined based on HUD source requirements with option to forgive or defer at HCD’s sole discretion

Security: Deed of Trust

- Repayment Conditions: If during the minimum affordability period the property is (a) sold or (b) no longer used as affordable rental housing, then the borrower will pay the FCRHA an amount equal to the loan proceeds plus 2% simple annual interest.

Empowering Communities,
Building Futures.

Financing Terms- Acquisition Projects

Executed Sales Contract, and

Successful loan underwriting

Funds must follow contract and loan terms

Projects must be completed within:

- 24 months of FCRHA grant approval, or
- Nonprofit's RFP scope of work deadline (whichever is earlier)

HCD may extend or adjust the completion timeline

Empowering Communities, Building Futures.

Financing Terms- Rehab Only

Financing Type: Deferred, non-amortizing loan or grant (set by HCD based on property and other financing)

Interest Rate: TBD based on property conditions and needs

Affordability & Maturity: Set per HUD requirements; HCD may forgive or defer at its discretion.

Re-payment: If sold or no longer used as affordable rental housing within 15 years,

Funding Terms- Rehab Only

Applicants must submit an **Architect's Certificate/Application for Payment** with invoices after rehab completion.

Must include **professional certifications** (e.g., AIA G702), **notarized GC certification**, and may require:

- Contractor sworn statement/affidavit
- Conditional lien waivers
- Prevailing wage/Davis-Bacon certifications

Undisbursed approved funds may be retained by FCRHA after contract expiration and only used for eligible costs

Payments may be delayed until all award conditions are met

HCD may revoke, withdraw, or reassign funding if award conditions are not met

Empowering Communities, Building Futures.

Start the Underwriting Process
Post Award

Non-profit emails **notice of acquisition and/or rehabilitation project** to Laura.Lazo@fairfaxcounty.gov. In the email include the following:

- Include a copy of the executed sales contract for the property to be purchased. (Acquisition Projects).
- Include a copy of the property address, scope of work and budget. (Rehab Only Projects)

Concurrently, nonprofit should request/provide:

- Property appraisal and inspections
- Relocation (URA) Clearance Review
- Environmental Review (ER) Clearance (requires 45 days)
- Notices to Board of Supervisor and FCRHA Commissioner

Key Funding Conditions & Requirements

1. Approval by **FCRHA** and **HCD Loan Underwriting Committee** (as required)
2. Compliance with **Federal and local program requirements**
3. Execution of **FCRHA loan documents** (as applicable)
4. **Interim financial reports** for Federal funds (as required)
5. **Environmental clearance** by HCD before any work
6. **Certified lead-based paint and radon reports** (when applicable)
7. Additional **legal documents and protections** as needed for FCRHA and Fairfax County

Evaluation Criteria

Demonstration of Need	0-25 points
Project Preparation, Innovation, and Collaboration	0-25 points
Management Capacity/Real Estate Experience	0-20 points
Capacity for Project Financing/Leveraging	0-30 points
Total	**0-100 points**

Examples Of Eligible CDBG, HOME AND HOME CHDO Rehabilitation Activities

5 BONUS POINTS:

Projects exclusively preserving and rehabilitating existing affordable rentals:

Health & safety systems (incl. fire safety, mold remediation)

Building systems (roofs, foundations, masonry, stairs, porches)

Accessibility modifications

Structural repairs (roof, foundation, water intrusion, termite/rot/mold damage)

Energy efficiency (efficient appliances, solar, insulation, windows, LED, HVAC)

Empowering Communities,
Building Futures.

Empowering Communities,
Building Futures.

Application Instructions

Applications and details to apply:

[Housing Re-Up Initiative-Details & Application Instructions]

Must submit Application including all worksheets and attachments in PDF format to the ShareFile address provided by HCD or submit a hardcopy.

For funding consideration, application must be received by **4:30 p.m. E.S.T. on Monday, September 21, 2026.**

Empowering Communities,
Building Futures.

Q & A

Appendix + Resources

Empowering Communities,
Building Futures.

Submission Instructions

Electronic upload, plus delivery of 1 hard copy

Email dhcdgrants@fairfaxcounty.gov

to receive Egnyte Link

OR

Hand deliver five hard copies, including one original

All mail or hand deliveries:

Fairfax County DHCD
Attention: Sharon Shields
3700 Pender Drive, Fairfax, Virginia 22030
Hours: 8 am-4:30 pm E.S.T. Monday-Friday

Copies may be left at reception desk on the first floor or in the drop box outside if after hours.

Empowering Communities, Building Futures.

Evaluation Criteria Rehabilitation Projects

Rehabilitation Project-Evaluation Criteria and Components and Applications

Empowering Communities,
Building Futures.

Evaluation Criteria Acquisition Projects

Acquisition Projects- Evaluation Criteria and Components

Empowering Communities,
Building Futures.

Underwriting Documents

The following additional documents are required if applicable:

-Project Description

-Updated Financials & FCRHA Financed Properties Performance Portfolio (every 6 months)

-Most Recent FCRHA Reserve Account Bank Statement

-Lead-Based Paint & Radon Testing results

-Home Inspection Report

-URA Clearance

-Environmental Clearance

-Appraisal(s)

-Condo Re-Sale Packet

Reference Documents

FCRHA Funding Guidelines
HOME Maximum Per-Unit Subsidy Limits
CDBG/HOME Rent Limitations
CDBG/HOME Income Limits
CHDO Checklist
Fairfax County Rehabilitation Standards

Empowering Communities, Building Futures.

Post-Closing Demographic Reporting: Initial Tenant Occupancy

The following is to be provided to sharon.shields@fairfaxcounty.gov upon completion of the acquisition and any repairs/renovations and in accordance with the underwritten occupancy schedule:

- Date of occupancy/lease signing
- Beneficiary/tenant data for units

CDBG-Eligible Activities

- 24 CFR 570.201 -- Basic eligible activities.
- 24 CFR 570.202 - Eligible rehabilitation and preservation activities.
- 24 CFR 570.207 -- Ineligible activities.

HOME-Eligible Activities

- 24 CFR 92.205 -- Eligible activities: General.
- 24 CFR 92.206 -- Eligible project costs.
- 24 CFR 92.301 -- Project- Assistance CHDO
- 24 CFR 570.204 -- Special activities by CBDOs

Closing Documents

Upon approval of the underwriting, the assigned GM staff must receive:

Confirmed ACH setup for the nonprofit

Closing Agent contact info & Wire Transfer instructions

Draft Title Binder

Settlement instructions

CDBG/HOME Contract

Deed of Trust – 1st Position (Acquisition Projects Only)

Promissory Note