

Embark Housing Strategies

Outer Ring of the Circle – the Principles

The outer ring of the circle provides the principles under which all of the recommendations will be considered. The three principles are:

- No Net Loss/One-for-One Replacement

Preservation of housing affordability is the premise for this principle. Fairfax County is in the process of developing a baseline of committed- and market-affordable units in the Embark area. “One-for-one” means that the baseline of affordable units will be preserved. A broad definition of “one-for-one” will be used, meaning that any lost affordable units will be replaced somewhere in the Embark area, and not necessarily replaced on the same property. **The replacement units would be in transit-friendly locations and serve like incomes as the replaced units, to the extent feasible.**

- Use of Equity Lens of One Fairfax

The Fairfax County Board of Supervisors and the Fairfax County School Board adopted the One Fairfax racial and social equity policy in 2017, to ensure all individuals in our community have an opportunity to reach their highest level of personal achievement. Stable, affordable and high-quality housing is the key to increasing access to opportunities and ensuring all residents can prosper. In using the equity lens of One Fairfax, among the factors to be considered for any recommendation are determining who will benefit from or be burdened by proposed actions and determining what the strategies are for advancing racial equity or mitigating unintended consequences.

- Housing Development Reflects Community Needs

Under this principle, housing types will be considered that reflect the current and future needs of the community, such as housing for larger families, singles, those who are elderly, and geographically useful housing. Public investment in redevelopment and new development will be driven by the housing types that are most needed or projected to be needed in the area, and that allow existing residents to remain in their communities. New production occurring in the Embark area needs to include a significant portion at 60 percent of Area Median Income (AMI) or below to allow existing residents to remain in the area and the workforce to move to and live in the area as well. **For discussion only: The following unit-income tier breakdown is used as a starting point for discussion; staff filled in percentages based on the 12 percent tier used in the Seven Corners Community Business Center plan for Land Unit C: For new residential production: 2 percent of the units produced must be affordable to households with incomes ranging up to 60 percent of AMI; 3 percent of the units must be affordable to households with incomes up to 70% of AMI; 5 percent of the units must be affordable to households with incomes up to 80% of AMI; and 2 percent of the units must be affordable to households with incomes up to 100% of AMI.**

Inside the Ring – the Strategies

I. Leveraging Public Investments

- *Use County-owned land/facilities (e.g. North Hill and public/capital facilities) for affordable housing*

This strategy is reflective of the Communitywide Housing Strategic Plan. The Communitywide Strategic Plan states, “Making vacant or underutilized publicly-owned land available for affordable and mixed-income housing is an important way to expand housing options without direct public financial subsidy.” In addition to the importance of the land component of this Embark Housing Strategy, it also incorporates the Strategic Plan strategy that calls for “co-locating housing with new and/or redeveloped public facilities”. The Strategic Plan states that this “is an effective way to create affordable housing options in mixed-use settings. The County’s CIP process should be amended so an assessment of the appropriateness of co-locating housing is done in all projects involving building new public facilities or redeveloping existing facilities.”

- *Have the FCRHA (Fairfax County Redevelopment and Housing Authority) act as catalyst in acquiring land for public-private partnerships*

This strategy calls for the FCRHA to pursue opportunities for catalytic investment in which the FCRHA would acquire land/facilities for public-private partnerships that would increase the affordable housing stock. The FCRHA would retain ownership of the land and provide it as a subsidy to the developers as a ground lease, to the extent possible.

- *Attracting private capital to the Corridor (Opportunity Zones)*

Opportunity Zones, and related Opportunity Funds, were created as part of the Federal Tax Cuts and Jobs Act of 2017. The goal is to encourage long-term investments of private funds into designated low-income areas nationwide. There are four Opportunity Zones in the Embark area. Fairfax County should create, or support creation of, an Embark Opportunity Fund to collect capital and invest it in workforce and affordable housing in the Embark area.

- *TIF (Tax Increment Financing)*

TIF allocates future increases in property taxes from a designated area to pay for improvements within that area. These improvements could include affordable housing. Fairfax County has used TIF in the Merrifield area, and this strategy promotes exploration of the County’s existing authority to implement TIF and associated policies as a means to spur affordable housing development and preservation in the Embark area.

II. Public-Private Partnerships

- *Financial/Regulatory Incentives or Process-Easing for development*

This strategy calls for the consideration of expedited approvals by the County as well as exemption of certain fees/proffers for affordable housing development. It also echoes the Communitywide Housing Strategic Plan strategy calling for the County to “review the Public Private Education and Infrastructure Act (PPEA) framework and consider moving to a more streamlined process for public land projects that involve affordable housing.”

- *Density bonuses*

With the updating and revising of the Affordable Dwelling Unit (ADU) and Workforce Dwelling Unit (WDU) policies occurring, and with the County having called for 20 percent of new residences in Tysons to be set aside as workforce or affordable housing, incentives such as density bonuses have been successful and should be considered in the Embark area.

- *TDR (Transferable Development Rights)*

TDR involves development rights which can be voluntarily transferred or sold by respective landowners from their land to any other developer who can use these rights to increase the density of development at another agreed upon location. This strategy promotes exploring TDR for the benefit of the Embark area.

- *Commercial Linkage Fees*

This strategy calls for a review of the County’s options to encourage commercial contributions to an affordable housing fund in transit, high density activity centers. The Communitywide Housing Strategic Plan contains a similar strategy which states, “The County should assess its current policy of commercial contributions and re-visit the countywide commercial linkage policy in transit-oriented development areas to determine whether a new commercial contribution policy should be adopted.”