

BOARD OF SUPERVISORS’
AFFORDABLE HOUSING PRESERVATION
ADMINISTRATIVE POLICY GUIDELINES

August 30, 2023

The Fairfax County Board of Supervisors’ (Board) Affordable Housing Preservation Administrative Policy Guidelines (Administrative Guidelines) are established to assist in the execution of the affordable housing preservation policies and objective within the County’s Comprehensive Plan (Preservation Policy), adopted on March 21, 2023. The Preservation Policy supports the County’s goal of no net loss of affordable housing and seeks to maintain the affordability of units in accordance with the Comprehensive Plan’s Guidelines for Multifamily Affordable Housing Preservation. The guidelines establish a goal of preserving existing multifamily rental affordable housing (four or more units) during infill development or redevelopment on a one-for-one basis. While the objective is no net loss of affordable units, it is recognized that this may not be possible in all circumstances.

Preserved Affordable Units (PAUs) are those new affordable units that replace the existing affordable units expected from redevelopment and/or those existing affordable units where the affordability level will be maintained via new affordability commitments in infill development. Affordable Dwelling Units (ADUs) and/or Workforce Dwelling Units (WDUs) provided as part of a redevelopment proposal will count toward the total number of units to be preserved. Implementation of ADUs and WDUs should be determined using their respective procedures and policies.

Terms used in these Administrative Guidelines that are not specifically defined have the meaning given to them in the Fairfax County Comprehensive Plan. The Administrative Guidelines are hereby set forth for the uniform administration and assurance of the continued availability of PAUs.

1. Applicability

The Department of Housing and Community Development (HCD) will determine the applicability of the Preservation Policy on any residential property proposal. Determination of applicability will occur during the review of any rezoning application, pre-application consultation, or prior to an authorization of a Comprehensive Plan amendment that involves redevelopment or infill development of existing residential units; however, it is preferred that a property owner engages HCD prior to the submission of the rezoning application, and/or any pre-application requests, or as part of the consideration for any plan amendment. The determination will identify whether a property meets the definition of Committed Affordable Multifamily Rental Housing or Market Affordable Multifamily Rental Housing by comparing the rents charged at the property with rents affordable to the applicable Area Median Income (AMI) level under each definition, calculated consistent with the standards of the federal low-income housing tax credit program. HCD will utilize average rents for each unit size at each property as regularly compiled by staff or, if such information is not available, rent information

provided by the property owner. Existing rents to be calculated may not include utilities and other fees that are added on to rents for other purposes.

The Preservation Policy applies to Committed Affordable Multifamily Rental Housing if rent for any of the units at the property, either at the time of submission or within 12 months of the submission of any discretionary land use application, are affordable to households at or below 80% of the AMI.

The Preservation Policy applies to Market Affordable Multifamily Rental Housing if the average monthly rent for any unit type at the property (e.g., studios, one-bedrooms, etc) has been affordable to households at or below 60% of the AMI for a majority of the months over the past three years. The Preservation Policy will also apply to properties that have appeared in one or more of the past two Market Affordable Surveys, conducted by HCD.

If HCD determines that a property does not qualify for the Preservation Policy, but the property contains one or more units with rents affordable to households with incomes up to 80% of the AMI, a property owner may voluntarily seek to use the policy by committing those units to their current affordability levels. For the purposes of this opt-in, rents for those units should be affordable at up to 80% of the AMI at the time of the submission of a zoning application and/or Comprehensive Plan amendment.

Property owners may request in writing a determination of the applicability of the Preservation Policy from HCD at any time. HCD may request additional information from the property owner, such as property rent rolls, to determine whether the Preservation Policy applies to a subject property and the number of Committed Affordable Multifamily Rental Housing units or Market Affordable Multifamily Rental Housing units that fall under the applicable category. HCD's determination will be provided to the property owner in the form of an Affordability Assessment. Affordability Assessments may be utilized for rezoning applications and/or Comprehensive Plan Amendments filed within six months of the date of the final Assessment issued by staff. HCD will provide a copy of all Affordability Assessments to the Department of Planning and Development (DPD). If an Affordability Assessment is not requested by a property owner prior to submitting a zoning application and/or Comprehensive Plan Amendment, HCD staff will conduct one at the beginning of the applicable land use process.

2. Review of Preservation Proposals

After receiving an Affordability Assessment, and ideally prior to any pre-application meetings, filing of a zoning application, or authorization of a Comprehensive Plan amendment, the property owner must submit a strategy for the preservation of units ("Preservation Proposal") to HCD for review.. The Preservation Proposal should include:

1. The number of PAUs;
2. The AMI level(s) proposed to be served and the number of PAUs proposed at each level;
3. Unit type by bedrooms;
4. The term of the affordability requirements for the PAUs;
5. An assessment of the amount of additional density that would be needed to offset the cost of one-for-one replacement of units identified for preservation in the Affordability

Assessment in terms of number of units, as compared to the existing and planned land use; and,

6. Massing concepts and a conceptual layout that illustrates how any additional proposed density would be developed on the site, as well as any offsite units provided.

Other materials may be requested by County staff to understand the Preservation Proposal.

Preservation Proposals will be reviewed by HCD and DPD and feedback will be provided on potential issues to be addressed related to the proposed density. If the Preservation Proposal assumes a level of density that is not likely to be feasible for a given redevelopment, alternative proposals may also be provided by the property owner that achieve a lower ratio of replacement affordable units. Alternative proposals must explain the significant financial and/or development-related challenges that preclude one-for-one replacement.

HCD may request information regarding the financing and feasibility of the proposal from the property owner to be reviewed by the County or, if appropriate, a third-party entity on behalf of the County. Information may include, but is not limited to, assumed rents, operating expenses, debt service, cost to build, assumed vacancy, and estimated capitalization rate.

For infill development proposals, the physical conditions of existing affordable units on the subject property will be considered. All PAUs must be in a good state of repair as determined by HCD, which may require renovation.

During the consideration of the Preservation Proposals, the property owner and HCD staff may discuss the possibility of the applicant applying for FCRHA funding to assist with preservation.

3. Replacement Unit Goals

Preservation Proposals should, when feasible, propose PAUs onsite that serve the tenant population leasing units at the property prior to redevelopment (Existing Tenants). Property owners should plan to set PAU rents at levels affordable to the households at the AMI levels noted in the Affordability Assessment. To the extent possible, the proposed unit mix (number of units in each unit type category) should reflect the unit mix in the property prior to redevelopment.

Preservation Proposals can consider the current needs of Existing Tenants when determining the AMI levels and number of bedrooms in the planned PAUs, as they may be different than the unit mix at the property. Nothing precludes the infill development or redevelopment from providing deeper affordability from the current affordability on the property, a greater number of units, or a more appropriate mix of bedrooms per the needs of tenants at the time of zoning submission. Affordability levels, and/or number and size of the PAUs may be altered during the review of the rezoning application or Comprehensive Plan Amendment, if it can be demonstrated to the satisfaction of the Board that the alternative will better serve the needs of Existing Tenants or better fulfill County affordable housing goals than the existing affordability levels outlined in the Affordability Assessment. For example, a household may occupy a unit that is too small based on the household composition and occupancy standards, and a larger unit or multiple units may be provided in the new development.

A property owner may propose offsite provision of PAUs in certain circumstances when onsite provision is not financially feasible. The review of such units by County staff will consider the following: comparable access to major roads and transit, commercial areas, and development centers, County facilities and services, parks, schools and other amenities to the original property. Offsite units should be within a one-mile radius of the original property location to the extent practicable. Any affordability restrictions placed on offsite units for the purpose of preservation must be new. Staff will analyze the plan for providing off-site units proposed by the property owner to determine if the proposed offsite location is comparable and acceptable.

4. Administration of Preserved Affordable Units

The PAU affordability period will begin after the approval of the requested land use action and at an appropriate time in the development process, accounting for project type (e.g., infill, offsite, other). During the PAU affordability period, when units are not subject to another federal, state, or local affordable housing financing program, the process for implementation and administration of the PAUs will be subject to the [Fairfax County Board of Supervisors' Countywide and Tysons Urban Center Workforce Dwelling Unit Administrative Policy Guidelines \(WDU Guidelines\)](#). The FCRHA does not reserve the right to lease one third of the PAUs as in the WDU Guidelines. Alternative administration processes may be proposed. The alternative must adhere to the Preservation Policy set forth in the Comprehensive Plan and offer appropriate controls to properly regulate, monitor, administer, and manage the preserved units. Such controls must be provided in sufficient detail to clearly demonstrate that the committed PAUs will function in the manner intended by the provisions of the preferred administrative tools as set forth in this document.

5. Relocation Assistance Plans

When projects are subject to the Preservation Policy, applicants should provide a Relocation Assistance Plan to HCD for review and approval. Relocation Assistance Plans offer tools to assist the owner/applicant and tenants in minimizing displacement during the redevelopment of occupied properties. Tenant assistance in the form of relocation benefits and advisory assistance can encourage collaboration, reduce tenant stress, and eliminate costly evictions and project delays. Relocation Plans should include the ability for qualified tenants to return to the redeveloped property. Developers should review the Fairfax County Relocation Guidelines, as may be amended from time to time by the Board of Supervisors, for guidance on the development of the Relocation Assistance Plan.

THIS BOARD POLICY for the Affordable Housing Preservation Administrative Policy Guidelines is effective on this XX day of MONTH, 2023.

Jill Cooper
Clerk to the Board of Supervisors