

Affordable Housing Resources Panel (AHRP) Meeting Summary

December 18, 2018, 6:30 pm to 8:00 pm

12000 Government Center Parkway, Conference Room 11

Members Attending: Co-chair Kevin Greenlief, Co-chair C. Melissa Jonas, Tom Bash, John Boylan, Carol Bradley, Karen Corbett Sanders, Sharron Dreyer, Jim Edmondson, Rick Edson, Sol Glasner, Verdia Haywood, Edythe Kelleher, Stanley Koussis, Michelle Krockner, Rodney Lusk, Kamilah McAfee, Ava Nguyen, Mary Paden, John Payne, Carmen Romero, Phil Rosenthal, Nancy Scott, Kerrie Wilson

- Co-chair Greenlief stated that they hoped to have more resource discussion tonight with a better financial context. He said the goal of the AHRP is to provide the Board of Supervisors (Board) with the number of housing units to be developed with county assistance and the resources needed to meet that.
- Co-chair Jonas said that following the presentations, there would be a full AHRP discussion of resource options that will drive what county staff will research in preparation of the AHRP's January meeting.
- Co-chair Jonas introduced an addition to the AHRP, Soledad Portilla with the Northern Virginia Building Industry Association, who was recommended to the AHRP by Board Chairman Sharon Bulova, and who would be participating as a non-voting observer. Co-chair Jonas introduced Kristi Dooley, the facilitator for tonight's group discussion.
- Tom Fleetwood, Director of the Fairfax County Department of Housing and Community Development, provided information on the use of the county's existing land assets, and discussed recent preservation successes of the Fairfax County Redevelopment and Housing Authority (FCRHA), specifically the Murraygate Village and Parkwood facilities, each of which used a combination of FCRHA bond funding and additional county cash contributions. He also said that the FCRHA had close to 1,000 additional units in the development pipeline.
- Joe LaHait, the county's Debt Coordinator, gave a presentation with Joe Mondoro, the county's Chief Financial Officer, on the county's fiscal situation, revenue sources currently available to the county, and existing financial tools – including pay-as-you-go (PAYGO) and bond sales. Mr. LaHait described the distinctions between county bond sales and those by the FCRHA, including statewide and county limitations on each.
- Mr. LaHait, Mr. Mondoro, and Mr. Fleetwood responded to the following issues raised by AHRP members:
 - FCRHA revenue bonds and the county's debt ratios;
 - State-level funding for affordable housing proposed by the Governor;
 - The county's capital needs scheduled for the next several years;
 - Mixed-use facilities to co-locate affordable housing with other county functions;
 - The need for the overall number of housing unit sizes and types that were projected;
 - Homesharing and increased Affordable Dwelling Units (ADUs);
 - The use of Tax Increment Financing (TIF) and developer contributions;
- Ms. Dooley, the facilitator, asked Members for reactions to the finance presentation. Members mentioned that the examples used seemed to assume the need for the full gap financing for each unit produced. Members said that it was important to look at as

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many financing tools as possible, including innovative options not traditionally used such as Opportunity Zones and other possible incentivized regions, allowing the co-location of units on land owned by places of worship. Members mentioned the county's Communitywide Housing Strategic Plan Phase 1 Report and that its strategies included the increased use of land use tools and other innovative approaches.

- Members talked about how, given the financial options available and fiscal constraints, there was a need to reassess the total number of units to recommend that the county be involved in. Members mentioned that if Fairfax could produce between 300 and 500 units a year, that would put Fairfax among the top jurisdictions in the State. Members reiterated a need for a realistic recommendation to the Board, and some mentioned focusing on 5,000 units over the next 15 years affordable to households earning 60 percent of Area Median Income (AMI) and below. Members discussed recommending 5,000 units to the Board, with a focus on developing additional tools and resources that could allow for a potential further increase in unit production.
- Co-chair Greenlief made a motion that the AHRP recommendation to the Board for new units to be produced over the next 15 years affordable to households earning 60 percent of AMI and below should be 5,000, financed through an increase in the Penny for Affordable Housing Fund of the equivalent of one additional cent on the real estate tax rate, with a look at additional financing mechanisms and tools to potentially increase the number of units. The motion was seconded. A vote was called and the motion passed with 21 yeas and 2 nays.
- Members discussed working with county staff to review additional tools such as TIFs, mixed use zoning, and developer cash contributions.
- The meeting was adjourned.