



# Affordable Housing Resources Panel

*February 7, 2019*

# OVERALL FRAMEWORK FOR RECOMMENDATIONS DOCUMENT

Based on ideas from the AHRP, the recommendations document for the Board could be structured into four strategic areas:

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

# NEED, NEW PRODUCTION GOALS, AND RESOURCES

**Need:** 15,000 new housing units are needed over the next 15 years that are affordable to households earning 60% AMI or less

**Goal:** Produce at least 5,000 new affordable units over the next 15 years using public financial resources

**5K by 15**

**The AHRP recognizes the importance of going beyond the goal of 5,000 new affordable units over the next 15 years through a variety of land use, regulatory, and other strategies, to leverage public investment**

# NEED, NEW PRODUCTION GOALS, AND RESOURCES

**Recommendation to the Board on Resources to Achieve Goal:** Increase the Penny for Affordable Housing Fund the equivalent of one additional cent on the real estate tax rate (in addition to the current half penny).

**Further Recommendations to the Board on an Increase in the Penny Fund:**

- Funds to be used for FCRHA loans for the private sector (for profit/nonprofit)
- Set a priority for projects that include units for individuals emerging from homelessness and/or individuals with other special needs
- FCRHA use restricted to:
  - Acquisition/new construction housing for seniors and persons with special needs
  - Acquisition of land for the purposes of facilitating a P3 project such as North Hill, Residences, Lewinsville
  - Priority project from the Board

# NEED, NEW PRODUCTION GOALS, AND RESOURCES

## Recommendations to the Board to Achieve and Surpass the 5K by 15 Goal:

- Consider a countywide proffer policy on commercial contributions that are used for affordable housing production
- Consider a policy directing the buyouts from ADUs and WDU be used to support the production of new affordable housing units
- Redirect funds from the Housing Trust Fund into new production
- Consider using the County's Economic Opportunity Reserve to finance fees related to regulatory requirements and possibly other pre-development activities

# PRESERVATION OF AFFORDABLE HOUSING UNITS

## Recommendations to the Board:

- The Board should reaffirm its commitment to no net loss of existing market affordable units to be achieved through public financing and land use policy
- The Board should prioritize the current funding of a half a penny in the Penny for Affordable Housing Fund to support preservation (i.e., Parkwood, Huntington Gardens). Current funding valued at approximately \$12.5 million per year.

# LAND USE

## Recommendations to the Board:

- The Board should direct county staff to develop a package of innovative land use policies to further facilitate the development of affordable housing beyond the stated goal of 5,000 units.
- The Board should make a top priority of the new Deputy County Executive (overseeing land development services and planning and zoning) be the implementation of innovative land use policies to spur development of affordable housing
- Possible implementation through modernization of Housing Policy Plan

# LAND USE - CONTINUED

## Further Recommendations to the Board:

- **Potential recommendations to consider include:**
  - A regulatory toolbox, including items such as flexibility in parking regulations, decreased processing time, moderation and/or bonding of development fees
- **Potential recommendations to consider should also include:**
  - A land use toolbox, including items such as:

# LAND USE - CONTINUED

- Recommendations of AHAC land use panel
- Transfer of development rights program to facilitate the preservation and development of new affordable housing
- Bonus density and height exceptions, including allowing affordable housing units to be discounted from density calculations as appropriate near Metro stations

# LAND USE - CONTINUED

- Decreased parking expectations for affordable housing developments, with the potential of a sliding scale depending on proximity to a Metro station
- Tax Increment Financing to offset infrastructure and other development costs
- Partnerships with houses of worship

# INSTITUTIONAL CAPACITY

## Recommendations to the Board:

- The Board should evaluate the need for additional investment in the personnel capacity of the county's regulatory agencies to assist affordable housing land use policy and regulatory issues.
- The Board should commit to an investment in personnel capacity in the Department of Housing and Community Development to:
  - Provide funding for at least two positions that will provide additional expertise/capacity in development, preservation and sustainability
  - Positions would be supported by General Funds at approximately \$250,000 per year
  - Positions would create additional capacity within HCD to administer existing programs
- Currently, the county supports approximately 25% of HCD's positions; approximately 20% of the agency's positions are frozen due to a lack of funding to cover increased personnel costs

# Questions / Discussion