

Affordable Housing Funding in Fairfax County: The FCRHA as a Local Housing Finance Agency

The Fairfax County Redevelopment and Housing Authority (FCRHA), established in 1966 following a voter referendum, serves as the principal affordable housing finance agency in Fairfax County. The FCRHA has financed over \$500 million in bonds, funding both for-profit and non-profit housing developers. The FCRHA is creative in combining the county funding, and federal HOME Investment Partnerships and Community Development Block Grant (CDBG) allocations along with project-based vouchers to find the “gap” and to ensure that a range of incomes are served in projects it develops and finances.

There are several sources for funding preservation and/or new construction of affordable housing. It is up to the developer to put together a financial package of the different resources and compete, as most funds are competitive. The FCRHA can lend low or no cost loans for the purpose of providing housing (either new or rehab) to very and low income individuals. In addition, the FCRHA

- Can issue Tax Exempt Bonds (for new construction and rehab/preservation), and has
- Has available Housing Blueprint funds for cash flow deferred loans – for both new and rehab/preservation. Currently there is \$7.8 million affordable housing capital being offered on a competitive basis for the purpose of preservation and production of affordable housing consistent with the goals of Housing Blueprint
- Offers Housing Trust Fund (as resources are available) for profit and non-profit for both new and preservation per the MOA:

The primary purpose of the Fund is to provide financial assistance for the projects of the Fairfax County Redevelopment and Housing Authority (FCRHA) and, secondly, to fund loans and grants to profit or non-profit sponsors for the preservation, development and redevelopment of low and moderate income housing. The Fund is intended to promote endeavors that will furnish housing to low and moderate income individuals in Fairfax County, Virginia, by providing low cost debt and equity capital, exclusive of administrative costs, in the form of loans, grants and equity contributions, to the Fairfax County Redevelopment and Housing Authority and to private developers and non-profit corporations.

- Offers competitive project based vouchers to serve extremely low income households, when resources are available.

Federal Resources:

- CDBG and HOME: federal dollars that go to both profit and non-profits for both new and preservation
 - CHDO (Community Housing Development Organization, falls under HOME): non-profit for both preservation and new

VHDA:

Low Income Housing Tax Credit (LIHTC) is actually a federal program administered the state. It offers equity at 9% (competitive) and 4% (non-competitive).

PPEA's:

The County contributes land as a long term ground lease for a nominal fee and developers may use private capital or any of the funding sources noted above to construct affordable housing. Example is Residences at the Government where 270 new units will be constructed by a private developer using 4% and 9% tax credits and tax exempt bonds.