

Affordable Housing in Fairfax County: *An Overview*

October 8, 2020



Housing Matters:

Housing plays a critical role in promoting well-being, equity and economic growth

Housing serves as a platform for individual and family well-being

- *Economic self-sufficiency and upward mobility*
- *Student achievement and academic success*
- *Physical and mental health and well-being*

Housing is the basis for inclusive and diverse communities

- *Equitable access to opportunities and services, regardless of race and socioeconomic status*
- *Communities in which everyone can prosper*

Housing supports sustainable local economic growth

- *Living and working in the community leads to shorter commutes and less traffic*
- *Easier to attract and retain workers*
- *Reduces income segregation*
- *Broadens tax base*



Housing that is Affordable – A Critical Challenge

- **Fairfax County is in need of 15,000 net new homes for families at 60 percent of AMI and below in the next 15 years**
- 32% of Fairfax County residents rent their home; of those, 1-in-5 are paying 50% or more of their income on housing
- Almost 71,000 households in the county earning \$50,000 or less
- Minimum Wage Earners need to work approximately 156 hours per week in order to afford an average one-bedroom apartment
- Lack of housing affordable to a range of incomes poses major challenges to attracting and retaining businesses



Housing Costs Are Increasingly Out of Reach for Working Households



Retail Sales Person
Avg. salary: \$29,552



Graphic Designer
Avg. salary: \$58,503



Security Guard
Avg. salary: \$31,850



Accountant
Avg. salary: \$64,960



Medical Records
Transcriptionist
Avg. salary: \$46,679

Many **private sector employees** who are key to local economic growth **cannot afford to live here.**

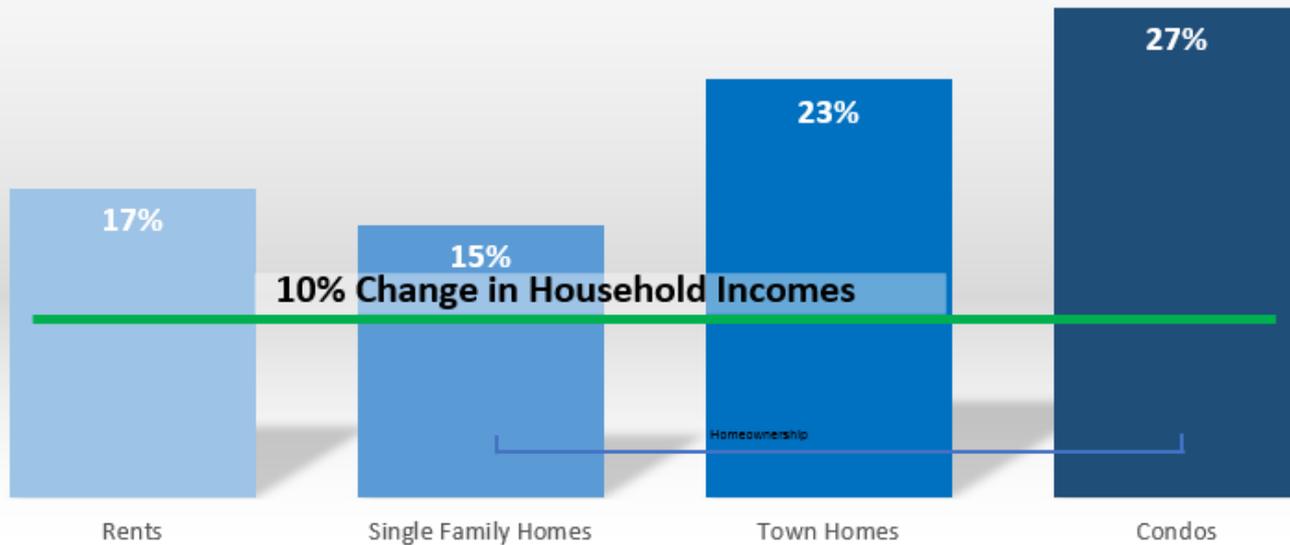
Sources:

U.S. Census Bureau, 2015 American Community Survey; National Housing Conference *Paycheck to Paycheck*



Housing Costs are Rising in Fairfax County and Incomes are Not Keeping Up

Change in Housing Costs Between 2010 and 2015





Fairfax County Redevelopment and Housing Authority (FCRHA) Overview



About the Fairfax County Redevelopment and Housing Authority (FCRHA)

- The preeminent provider of affordable housing in Fairfax County. FCRHA also serves as the County's local finance agency.
- The Department of Housing and Community Development (HCD) acts as the staff to the FCRHA and manages all county and FCRHA affordable housing programs and activities, including...
 - Affordable housing financing and development
 - Rental assistance
 - Affordable housing communities



Impact in the Community: Fast Facts

- Nearly 20,000 people live in housing provided by the Fairfax County Redevelopment and Housing Authority (FCRHA) and Fairfax County
- Countless more live in privately-owned housing developed with FCRHA financing
- Housing programs are meeting our mission:
 - Average household income served: \$26,422 for a family of two (27 percent of Area Median Income – “extremely low income”)
 - Approximately 35 percent of all households served in FCRHA/HCD programs include a person with a disability
 - Approximately 75 percent of homeless households placed in long-term affordable housing are served by FCRHA resources.



Office to Prevent and End Homelessness (OPEH)

- **Established in 2008** with the Board of Supervisor's adoption of the 10-year Plan to Prevent and End Homelessness.
- **Merged in 2020** with the Department of Housing and Community Development.

OPEH Mission

“Every person who is homeless or at risk of being homeless will be able to access appropriate housing and the services needed to keep them in their homes.”



Office to Prevent and End Homelessness (OPEH)

Successes: 2008-2018 (10 yr plan)

- 46% reduction in homelessness (1,835 to 987)
- 80% increase in competitive CoC funding (\$5,077,834 to \$9,126,856)
- 450% increase in dedicated permanent housing beds (268 to 1475)

Challenges:

- Not enough affordable housing
- Chronic societal problems: racism, healthcare, employment
- Historic crises: Great Recession, COVID-19 pandemic
- Public misunderstanding of causes of homelessness
- Homelessness up 8% in past three years



Rental Assistance:

Housing Choice Voucher (HCV) and Rental Assistance Demonstration-Project-Based (RAD-PBV) Programs

In FY 2020:

- **5,170** vouchers in use
 - **1,060** - RAD PBV
 - **3,336** - Regular HCV
 - **774** - Specialized (includes vouchers for homeownership, veterans, foster care families and youth, seniors, and persons with disabilities)
- **12,241** residents housed
- **500** new households served (received HCV-RAD-PBV vouchers in FY 2020)





Fairfax County Rental Program (FCRP)

In FY 2020:

Multifamily Housing

- Total Units: 1,996
- 6,191 residents housed
- 250 new admissions

Senior Housing

- Independent Living:
 - Total Units: 482
 - 474 residents
- Assisted Living:
 - Total Beds: 112
 - 102 residents





First-Time Homebuyers Program

In FY 2020:

- 7,552 individuals served through orientations, application sessions, Homeownership Resource Center, etc.
- 43 total new homebuyers

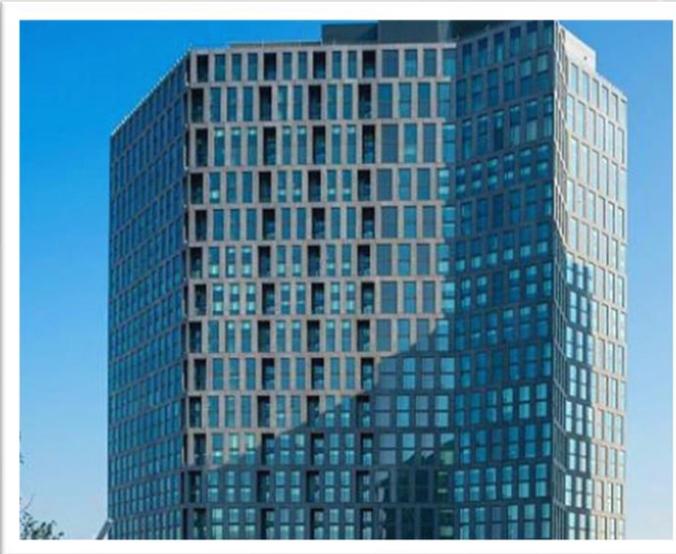




Affordable Dwelling Unit and Workforce Dwelling Unit Programs

■ Inclusionary Land Use Program/Policy

- **Affordable Dwelling Unit Program**
 - A total of 2,896 units (1,426 rental and 1,470 for-sale) have been produced through October 1, 2020
 - Provided for under zoning ordinance
- **Workforce Dwelling Unit Policy**
 - A total of 1,640 units (1,618 rental and 22 for-sale), have been produced through October 1, 2020
 - Proffer-based incentive system in the Comprehensive Plan





Looking to the Future: Communitywide Housing Strategic Plan



Communitywide Housing Strategic Plan

Goal: New Production Goal and Resources

Goal:

- Produce at least 5,000 new affordable units over the next 15 years using public financial resources
- The 5,000 units recommendation is a floor not a ceiling

OUR GOAL
“5K by 15”

Produce a **MINIMUM** of 5,000 affordable units in the next 15 years.

Recommendation to the Board on Resources to Achieve Goal:

- Increase the Affordable Housing Fund the equivalent of one additional cent on the real estate tax rate (in addition to the current half penny)*. Also use transfer of county land for affordable housing purposes, and co-location.

** investment deferred as a result of COVID-19*

Recommendations to Surpass the 5K by 15 Goal:

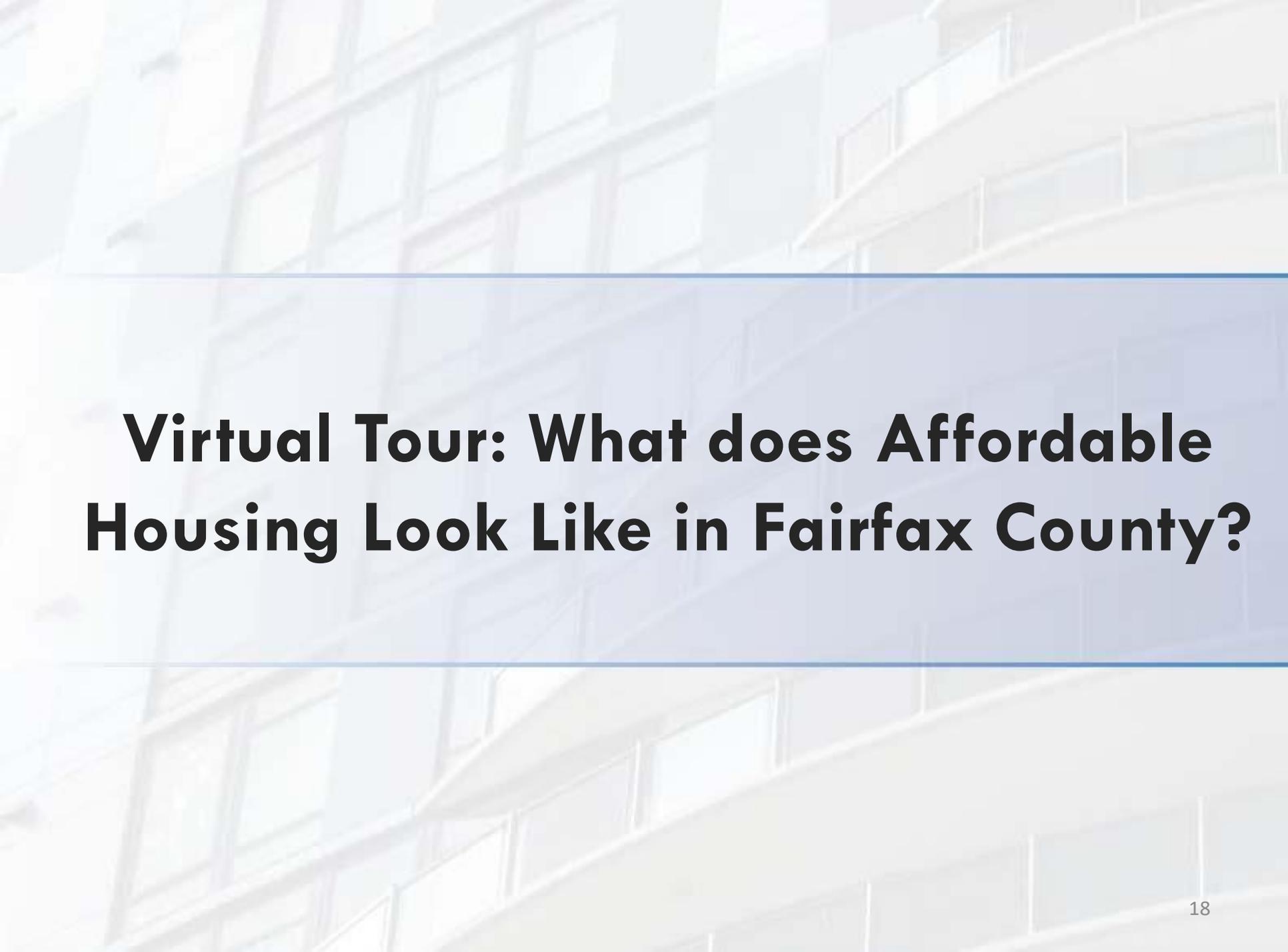
- Directed Deputy County Executive for planning and development to explore innovative land use policies, regulatory toolbox, and financing mechanisms



Communitywide Housing Strategic Plan

Goal: Preservation of Affordable Housing Units

- The Board reaffirmed its commitment to no net loss of existing market affordable units
- The Board recently authorized the establishment of the Affordable Housing Preservation Task Force (commenced October 1, 2020)



Virtual Tour: What does Affordable Housing Look Like in Fairfax County?



Public-Private Partnerships

- Virginia Public-Private Education Facilities and Infrastructure Act of 2002 (PPEA)
 - Through the Virginia Public-Private Education Facilities and Infrastructure Act of 2002 (PPEA) Fairfax County is able to create new affordable housing opportunities for little to no cost for the local county taxpayer.



Wexford Manor

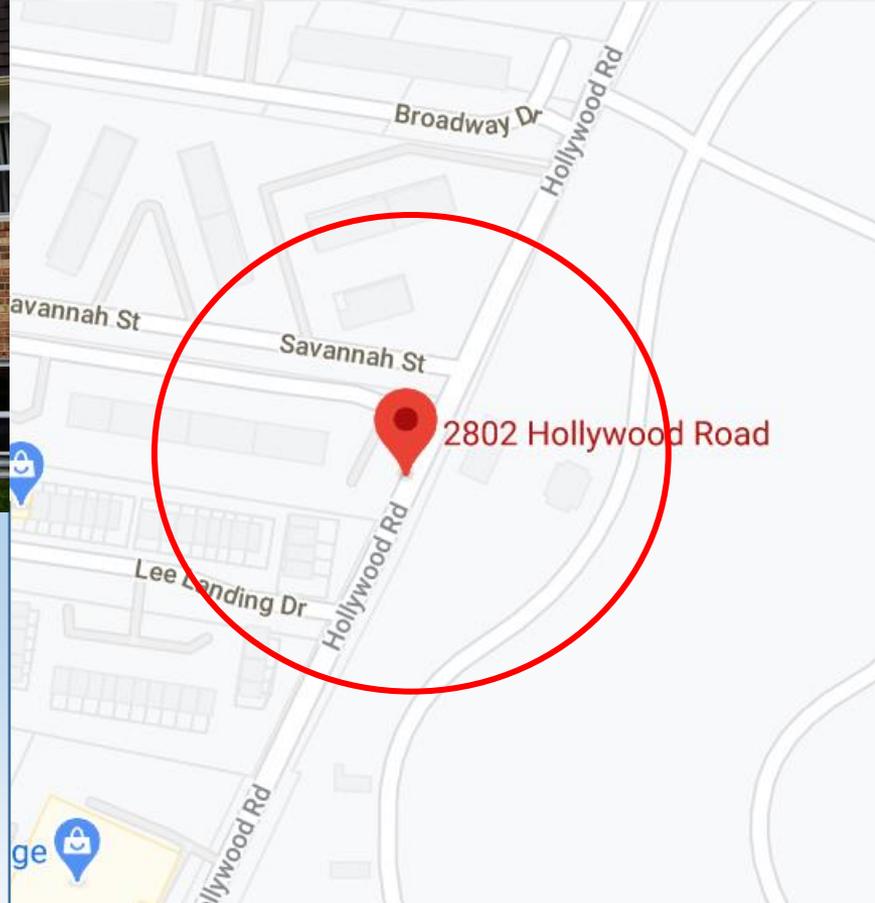
Providence District



Two three-story brick garden apartment buildings
(Falls Church, VA 22043)

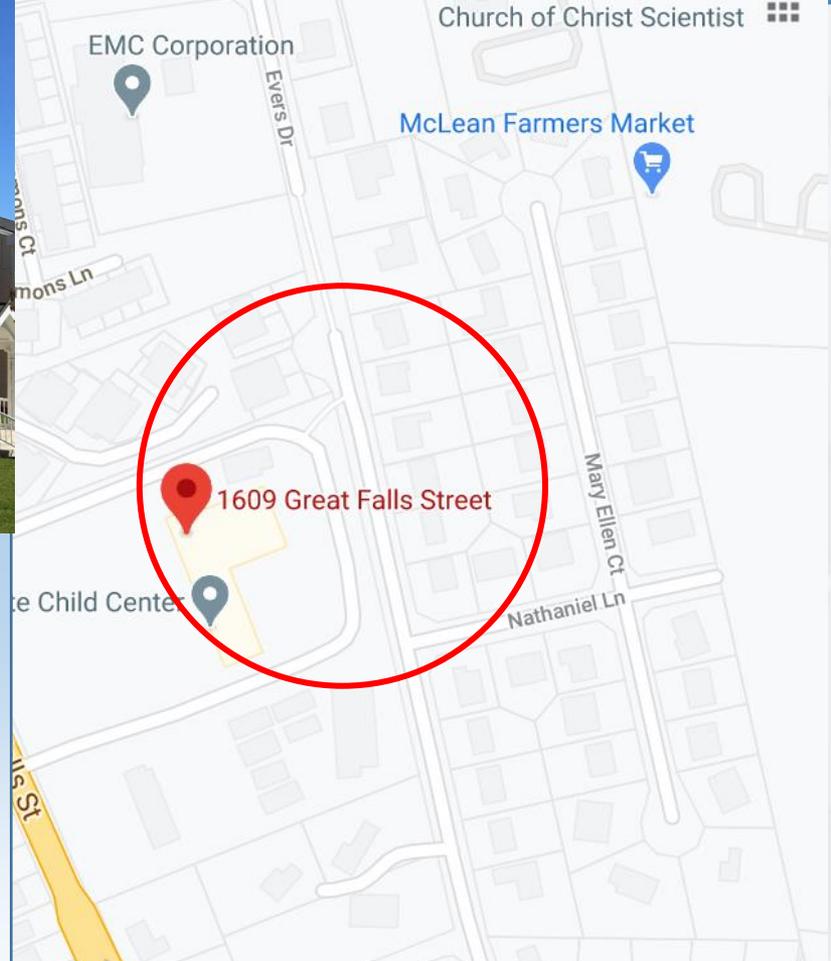
Units: 74

Property Notes: Owned by Wesley Housing (local nonprofit). FCRHA provided \$2.9 million in Housing Blueprint Funds to Wesley Housing to help renovate the community.





The Fallstead *Dranesville District*



Affordable senior independent living
(McLean, VA)

Units: 82

Built: 2018

Property Notes: PPEA, Tax credit financing, public building funded with County bonds



The Residences at Government Center

Braddock District



Workforce Housing
(Fairfax, VA)

Units: 270

Built: 2016

Property Notes: Hybrid financial structure utilizing both 9 percent and 4 percent Low-Income Housing Tax Credits (LIHTC) to fund its development.



Ragan Oaks Springfield District

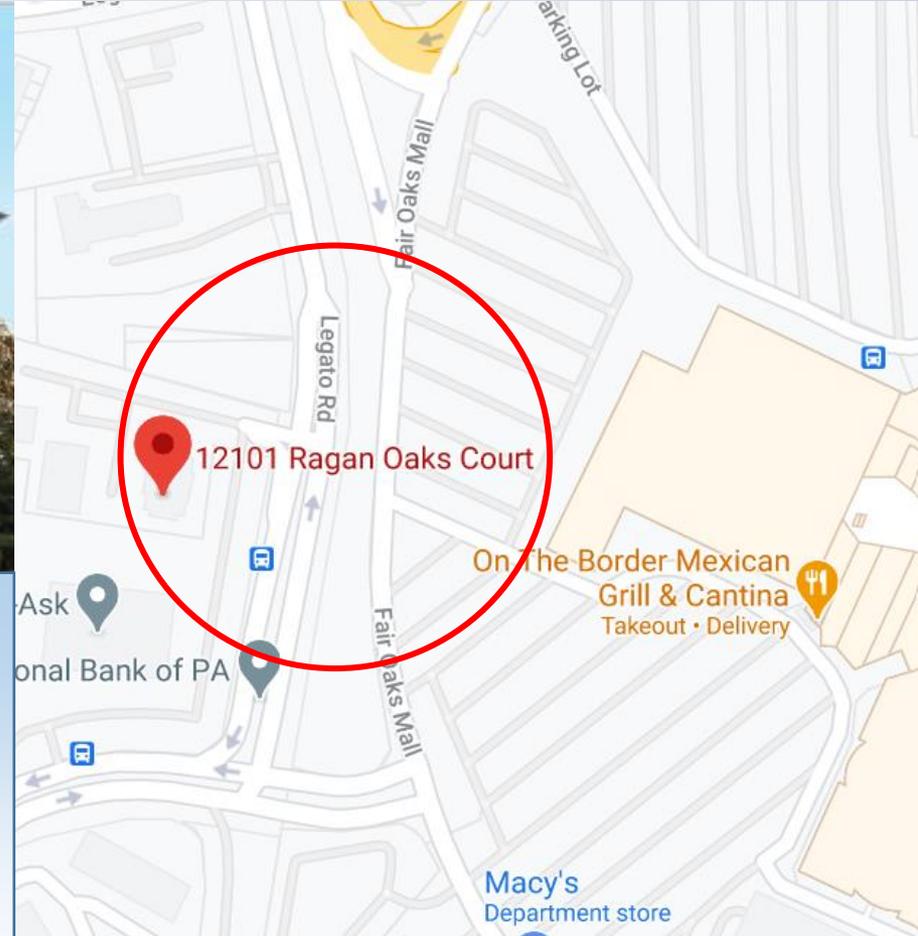


(Fairfax, VA)

Units: 51

Built: 1995

Property Notes: RAD PBV, Financing: Public Housing





Barros Circle

Sully District

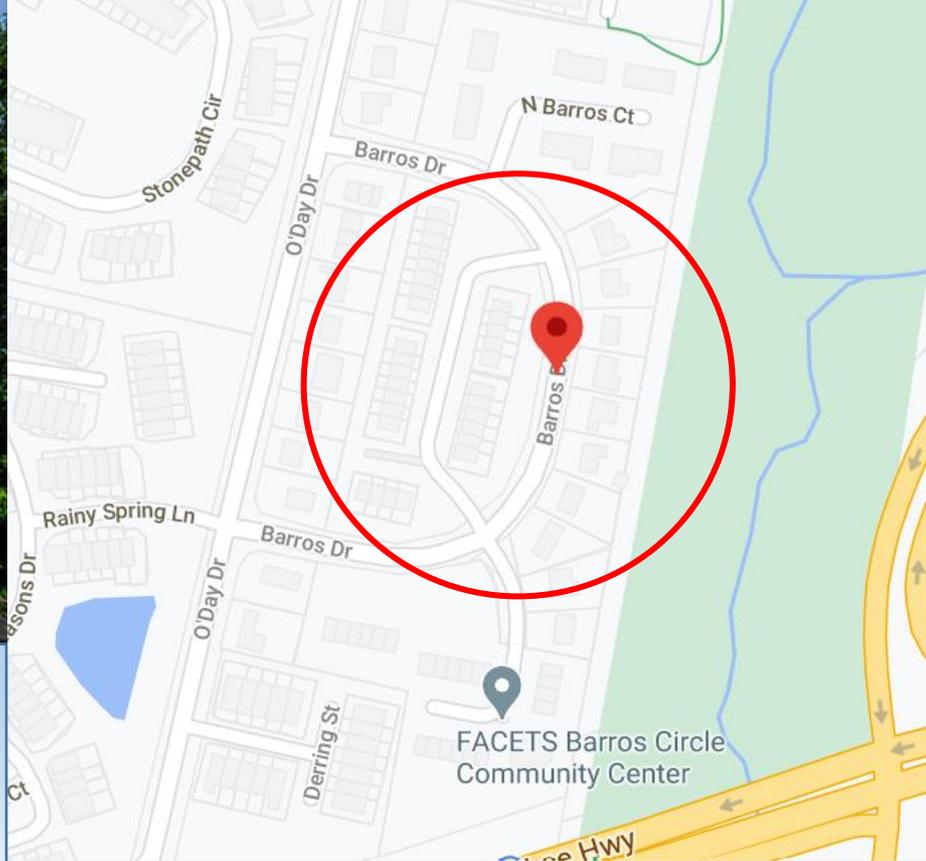


1, 2 and 3-bedroom, townhomes
(Centreville, VA)

Units: 43 units

Built: 1983

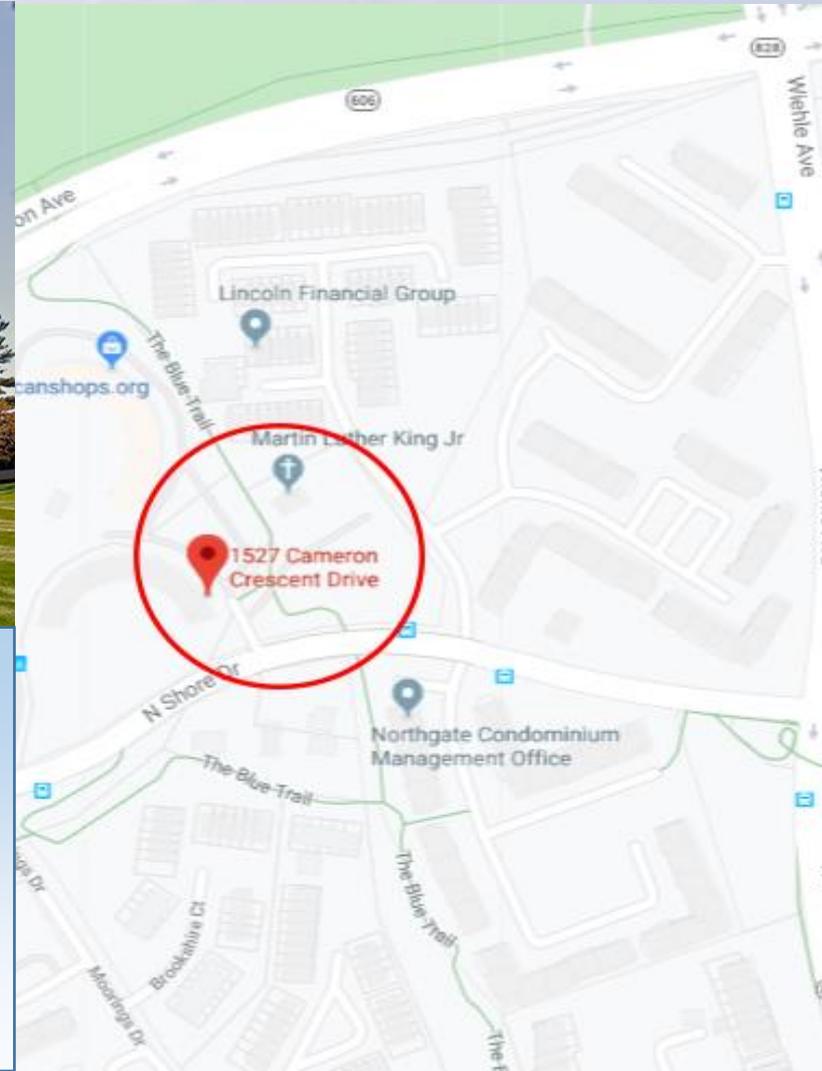
Property Notes: RAD PBV





Crescent Apartments

Hunter Mill District



(Reston, VA)

Units: 180 FCRP units: 49 HCV & 2 BA

Built: 1967

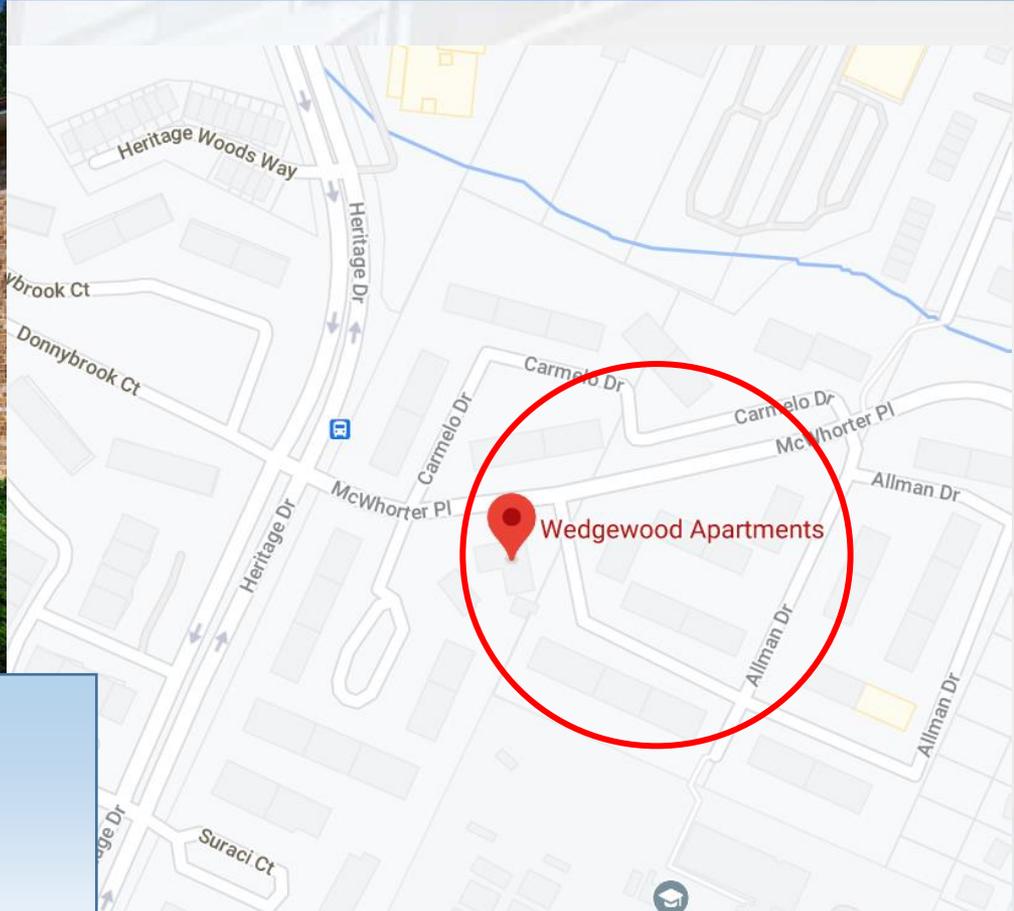
Acquired: 2006

Property Notes: Financing: Local/Non-Federal Funding,
Planned Redevelopment



Wedgewood Apartments

Mason District



Three and four-story apartment homes, 15 townhomes (Annandale, VA)

Units: 672 total units

Acquired: 2007

Property Notes: Fairfax County Rental Program (FCRP), Bond Financing



Mondloch Place

Lee District

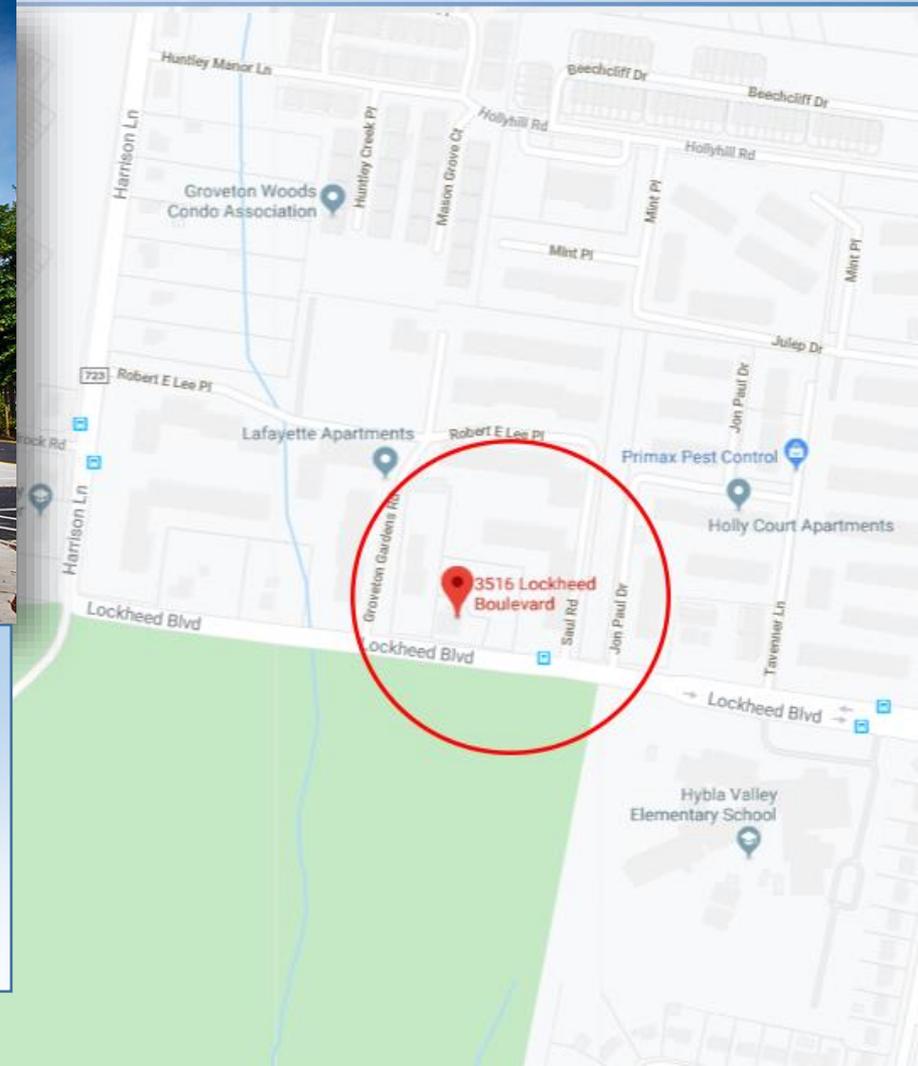


Supportive Housing
(Alexandria, VA)

Units: 20 beds

Built: 2013

Property Notes: Financing: HOME and CDBG





Gum Springs Glen

Mount Vernon District



Senior Housing
(Alexandria, VA)

Units: 60 units independent living (1-
bedroom: 56 units, 2-bedroom: 4 units)

Built: 2003





The Work Continues



Moving Forward with Affordable Housing Development Amidst Covid-19 Pandemic

Keeping the Promise:

In the face of unprecedented challenges, the work continues to provide affordable housing opportunities through **construction**, strategic **investment** and innovative **policies** that encourage preservation of our current stock of affordable housing and the incorporation of affordable units in new development.





Workforce Dwelling Unit Policy Amendment Work

Objective: Enhance the delivery of units for lower-income households.

WDU Policy Example

	Current Policy	WDU Policy Proposal										
Countywide WDU Policy	Residential project with 300 total units <u>12%</u> WDU commitment 12 units at 80% AMI 12 units at 100% AMI* 12 units at 120% AMI* 36 WDU s (12 WDUs realized) A density bonus of <u>12%</u> may be applied. <small>*The market is providing for the units at these income tiers. The only units providing public benefit are the 12 units at 80% AMI.</small>	Residential project with 300 total units <u>8%</u> WDU commitment 6 units at 60% AMI 6 units at 70% AMI 12 units at 80% AMI 24 WDU s A density bonus of <u>12%</u> may be applied.										
Tyson's WDU Policy	Residential project with 400 total units <u>20%</u> WDU commitment 8 units at 60% AMI 12 units at 70% AMI 20 units at 80% AMI 20 units at 100% AMI* 20 units at 120% AMI* 80 WDU s (40 WDUs realized) The maximum density bonus is up to <u>20%</u> . <small>*The market is providing for the units at these income tiers. The only units providing public benefit are the 40 units at up to 80% AMI.</small>	Residential project with 400 total units <u>13% or 10%</u> WDU commitment The developer would erect either Option 1 or Option 2: <table border="0"> <tr> <td>Option 1</td> <td>Option 2</td> </tr> <tr> <td>12 units at 60% AMI</td> <td><u>40 units at 60% AMI</u></td> </tr> <tr> <td>8 units at 70% AMI</td> <td>40 WDUs</td> </tr> <tr> <td><u>32 units at 80% AMI</u></td> <td></td> </tr> <tr> <td>52 WDUs</td> <td></td> </tr> </table> The maximum density bonus continues to be up to <u>20%</u> .	Option 1	Option 2	12 units at 60% AMI	<u>40 units at 60% AMI</u>	8 units at 70% AMI	40 WDU s	<u>32 units at 80% AMI</u>		52 WDU s	
Option 1	Option 2											
12 units at 60% AMI	<u>40 units at 60% AMI</u>											
8 units at 70% AMI	40 WDU s											
<u>32 units at 80% AMI</u>												
52 WDU s												



Affordable Housing Preservation Task Force

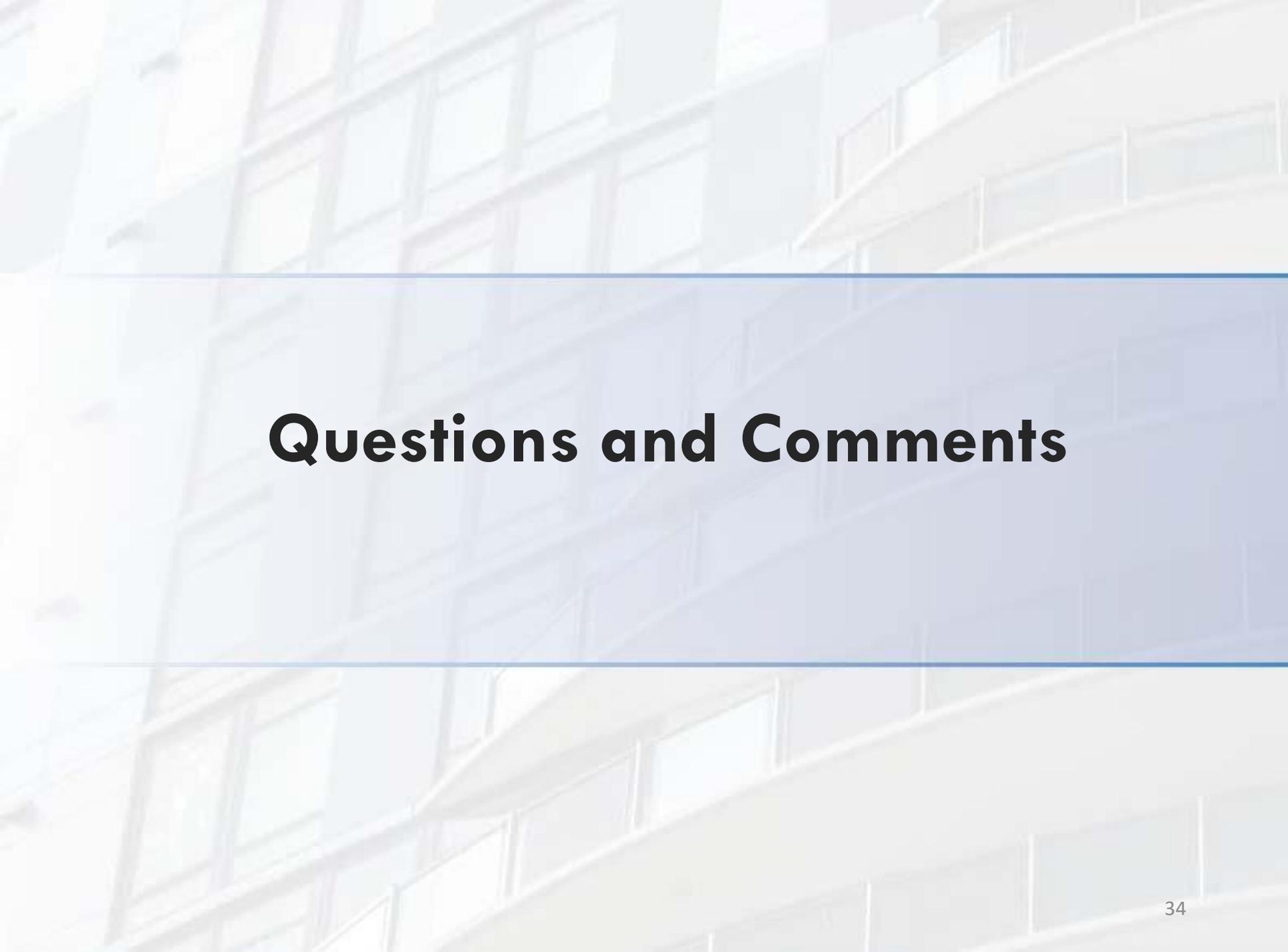
Objective: Develop policy recommendations for creative and sustainable preservation of the county's existing stock of affordable housing consistent with One Fairfax and industry best practices.





Keeping the Promise (VIDEO)

<https://www.ebmcdn.net/fairfax/fairfax-cable-viewer-cc.php?w=768&h=432&viewnode=1020> KeepingthePromise FINAL



Questions and Comments