


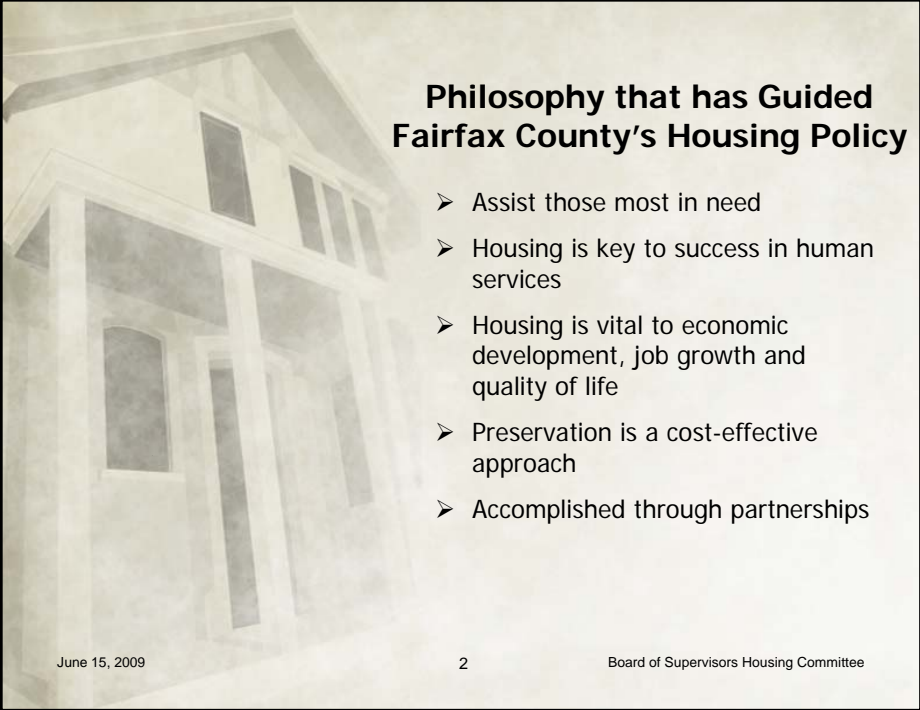
Housing Fundamentals:

How Affordable Housing is Provided in Fairfax County



June 15, 2009

Board of Supervisors Housing Committee



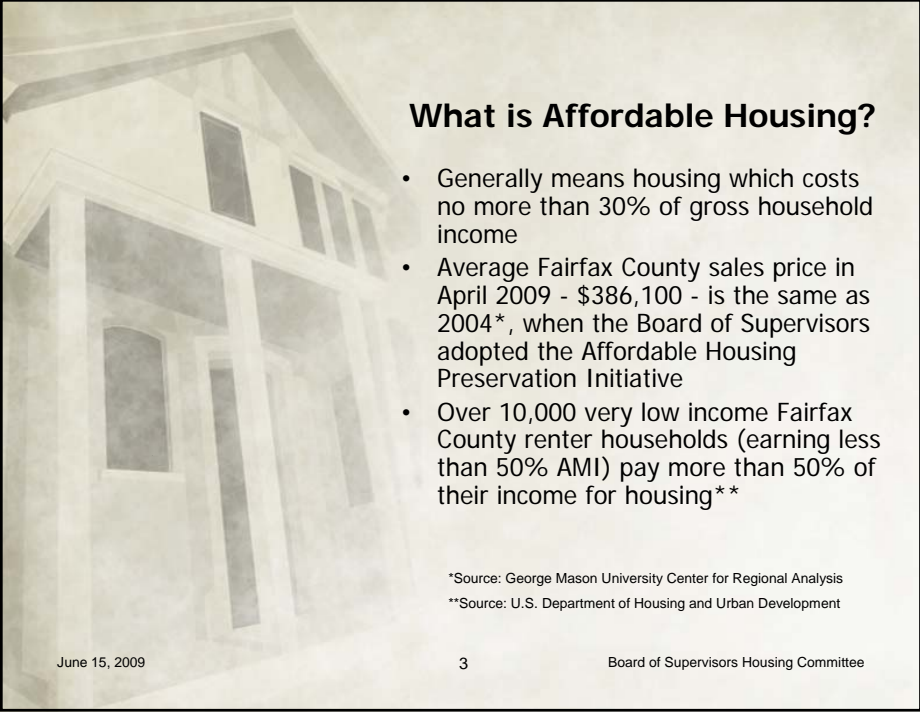
Philosophy that has Guided Fairfax County's Housing Policy

- Assist those most in need
- Housing is key to success in human services
- Housing is vital to economic development, job growth and quality of life
- Preservation is a cost-effective approach
- Accomplished through partnerships

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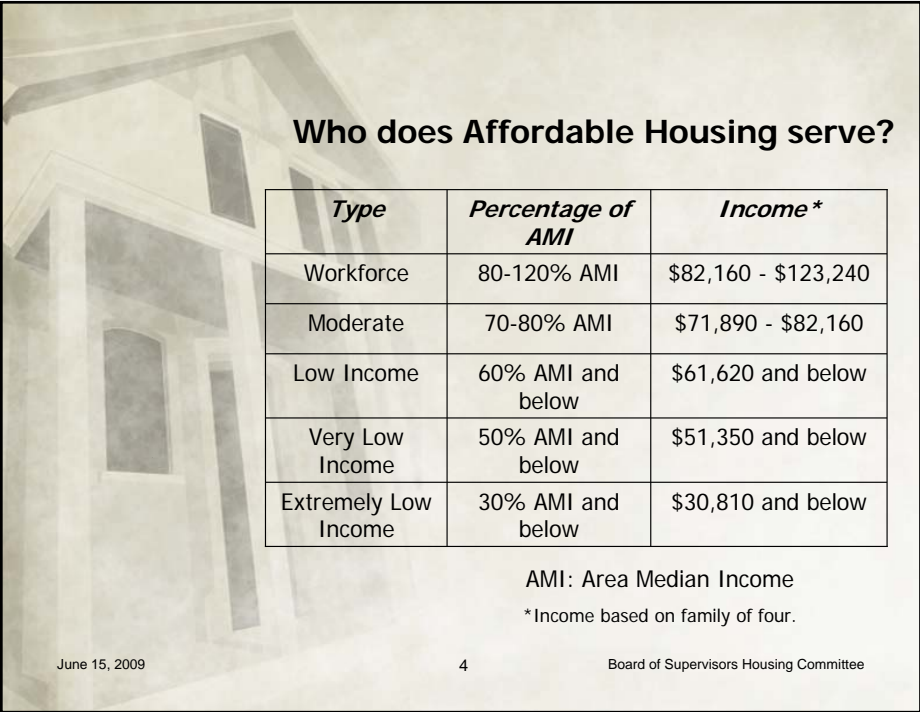


What is Affordable Housing?

- Generally means housing which costs no more than 30% of gross household income
- Average Fairfax County sales price in April 2009 - \$386,100 - is the same as 2004*, when the Board of Supervisors adopted the Affordable Housing Preservation Initiative
- Over 10,000 very low income Fairfax County renter households (earning less than 50% AMI) pay more than 50% of their income for housing**

*Source: George Mason University Center for Regional Analysis
**Source: U.S. Department of Housing and Urban Development

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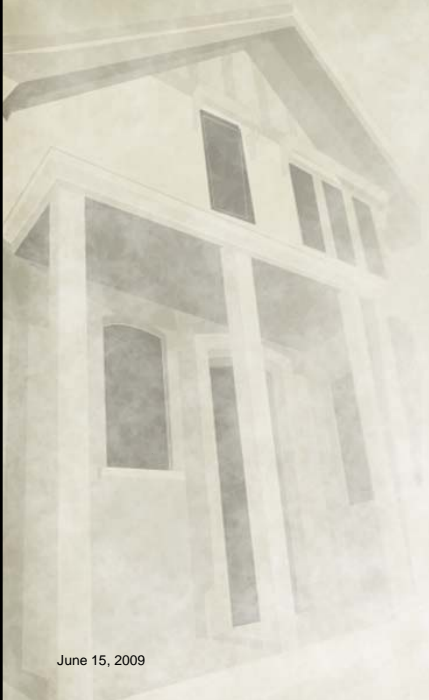


Who does Affordable Housing serve?

<i>Type</i>	<i>Percentage of AMI</i>	<i>Income*</i>
Workforce	80-120% AMI	\$82,160 - \$123,240
Moderate	70-80% AMI	\$71,890 - \$82,160
Low Income	60% AMI and below	\$61,620 and below
Very Low Income	50% AMI and below	\$51,350 and below
Extremely Low Income	30% AMI and below	\$30,810 and below

AMI: Area Median Income
* Income based on family of four.

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Major Affordable Housing Programs

- Public Housing
- Housing Choice Vouchers (formerly "Section 8")
- Tax Credits

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Public Housing

- Federal program established in the 1930's
- Funded through federal subsidies
- Operated through local public housing authorities (such as the Fairfax County Redevelopment and Housing Authority (FCRHA))
- No new Public Housing since 1990's
- Serves extremely low-income households

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Public Housing in Fairfax County

- 1,063 units
- Average income served in FY 2008 was \$20,285, or 23% of AMI for a family of three – ***extremely low income***
- Owned and operated by the FCRHA
 - 99% leased
 - Well maintained; low crime
 - More than 60% of households working
 - Nearly 35% of households served have disabled family members
- Approximately \$3.7 million in HUD funding annually
- FCRHA rated by HUD as a “**high performer**” public housing agency for the past 8 years

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What Public Housing Looks Like in Fairfax County



Robinson Square (Braddock District)



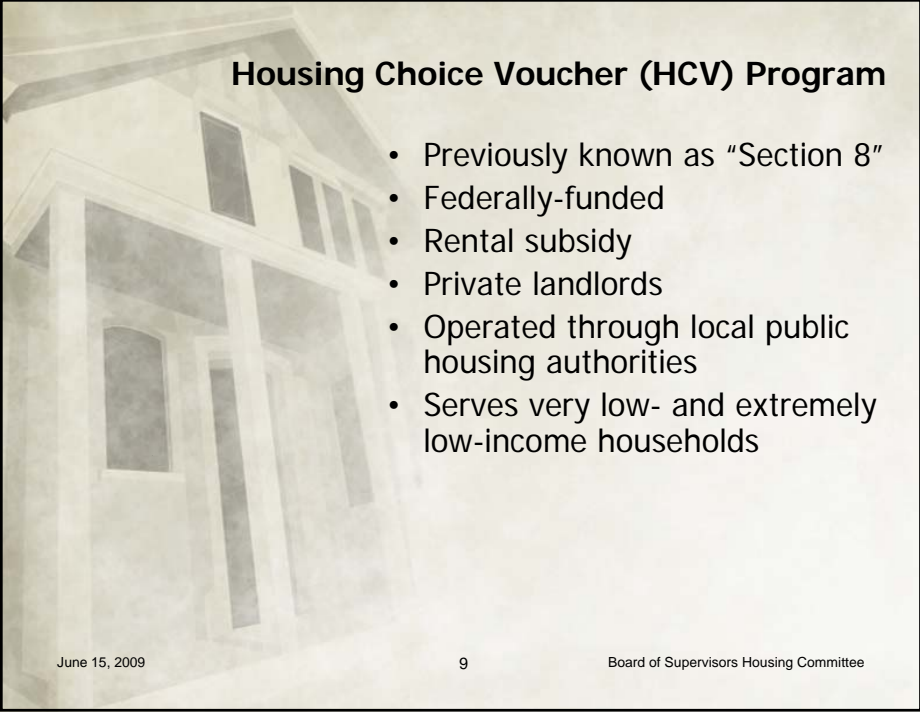
Old Mill Gardens (Mount Vernon District)



Reston Town Center
(Hunter Mill District)



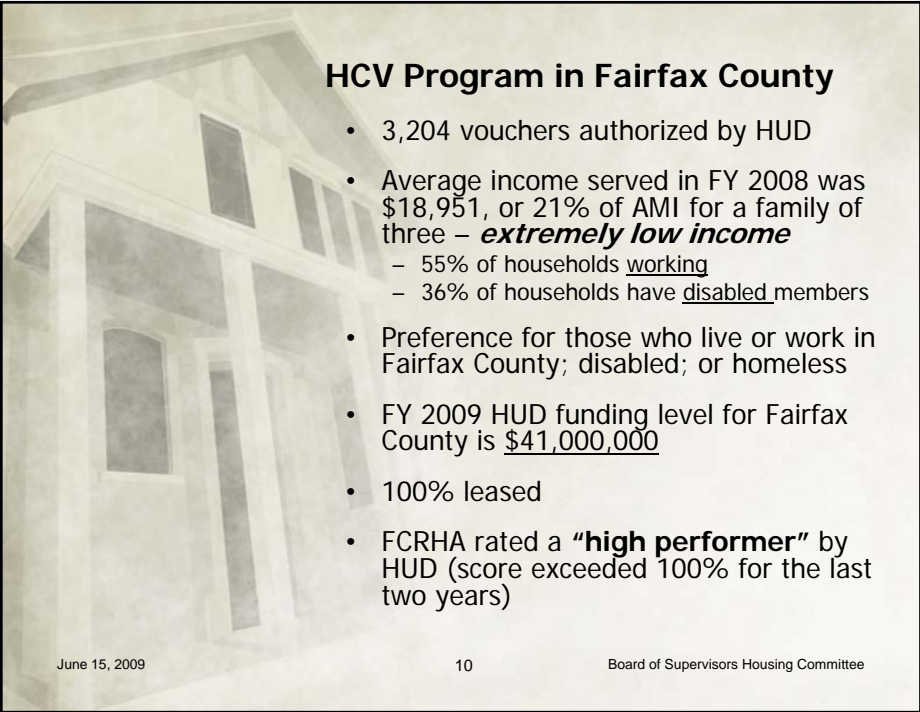
Rosedale Manor
(Mason District)



Housing Choice Voucher (HCV) Program

- Previously known as “Section 8”
- Federally-funded
- Rental subsidy
- Private landlords
- Operated through local public housing authorities
- Serves very low- and extremely low-income households

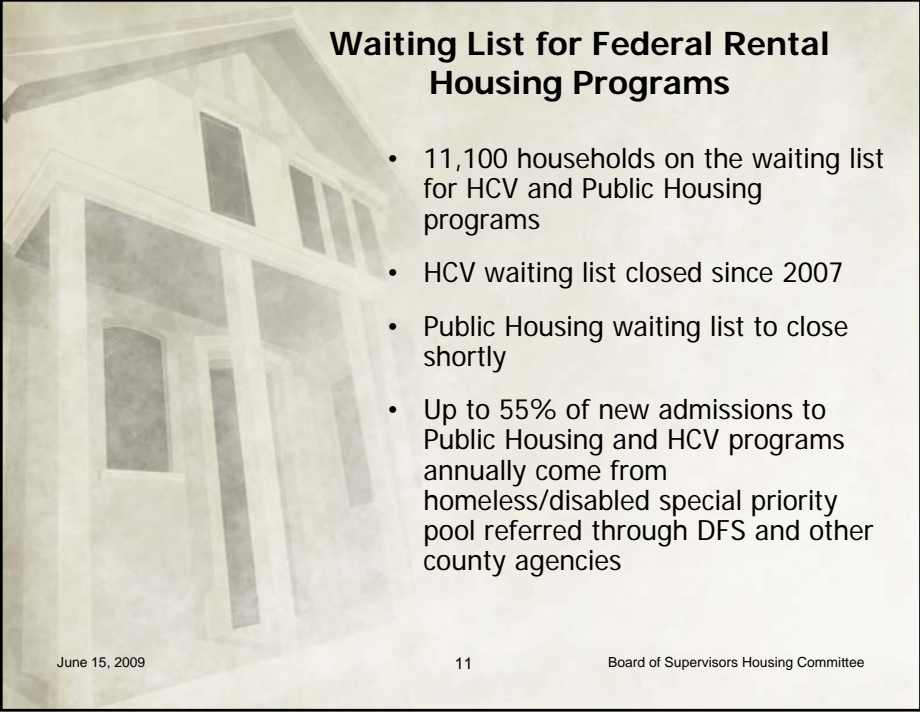
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HCV Program in Fairfax County

- 3,204 vouchers authorized by HUD
- Average income served in FY 2008 was \$18,951, or 21% of AMI for a family of three – ***extremely low income***
 - 55% of households working
 - 36% of households have disabled members
- Preference for those who live or work in Fairfax County; disabled; or homeless
- FY 2009 HUD funding level for Fairfax County is \$41,000,000
- 100% leased
- FCRHA rated a **“high performer”** by HUD (score exceeded 100% for the last two years)

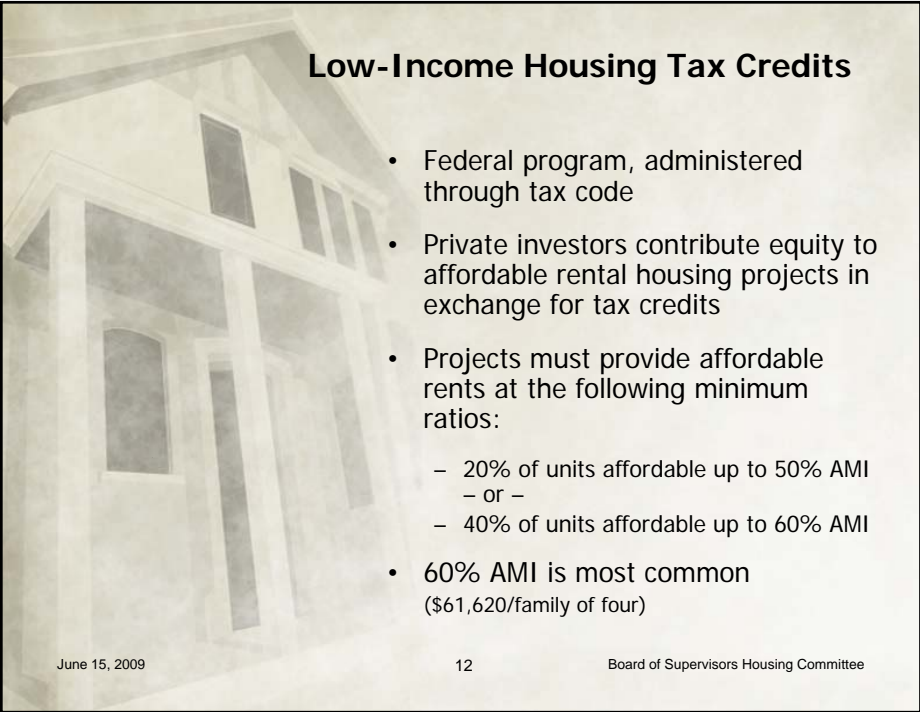
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Waiting List for Federal Rental Housing Programs

- 11,100 households on the waiting list for HCV and Public Housing programs
- HCV waiting list closed since 2007
- Public Housing waiting list to close shortly
- Up to 55% of new admissions to Public Housing and HCV programs annually come from homeless/disabled special priority pool referred through DFS and other county agencies

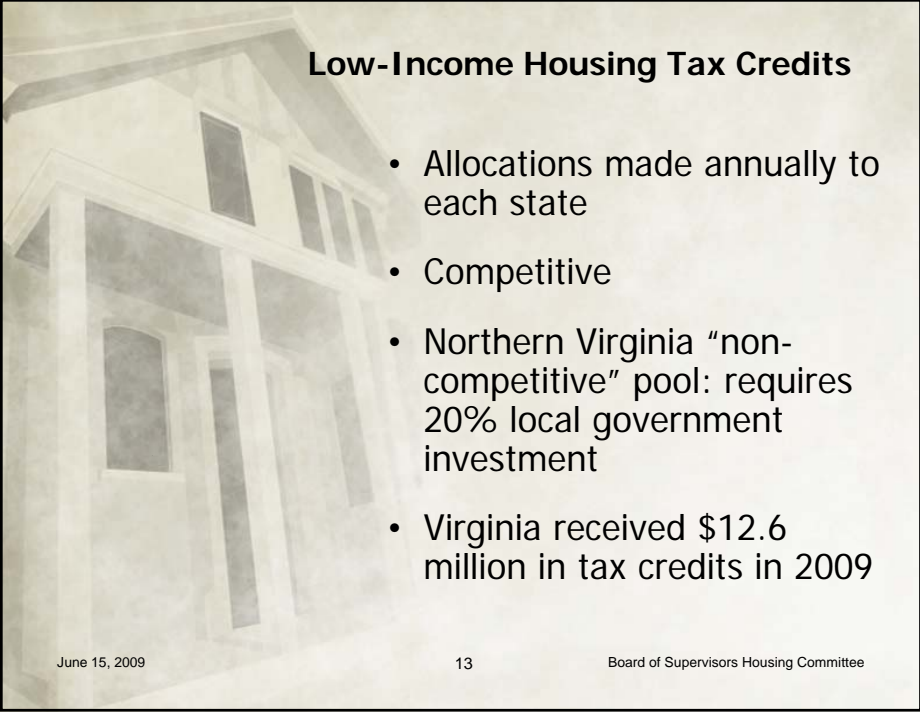
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Low-Income Housing Tax Credits

- Federal program, administered through tax code
- Private investors contribute equity to affordable rental housing projects in exchange for tax credits
- Projects must provide affordable rents at the following minimum ratios:
 - 20% of units affordable up to 50% AMI
 - or –
 - 40% of units affordable up to 60% AMI
- 60% AMI is most common (\$61,620/family of four)

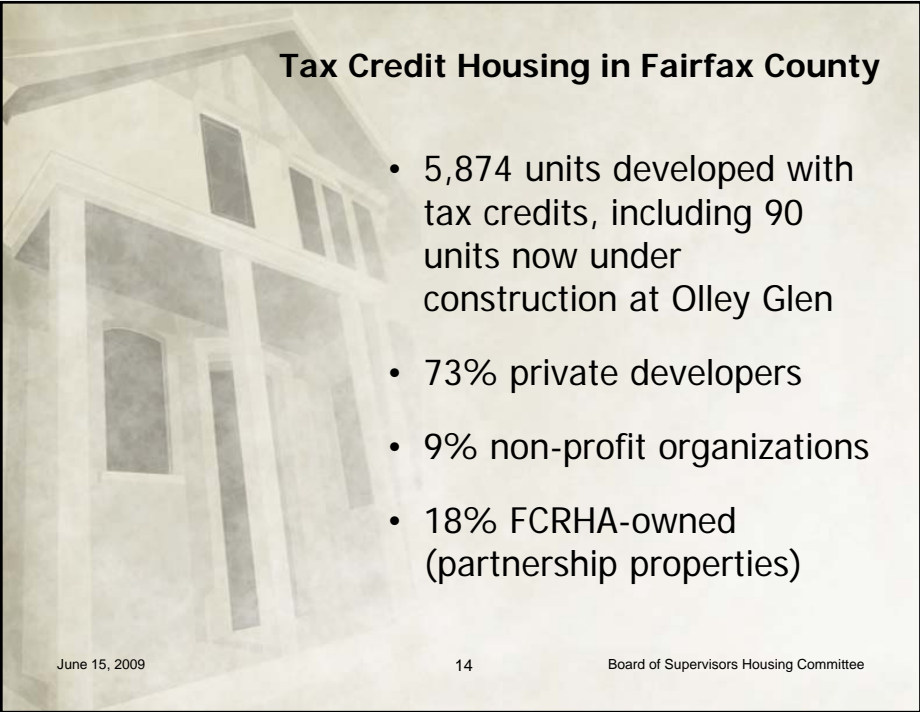
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Low-Income Housing Tax Credits

- Allocations made annually to each state
- Competitive
- Northern Virginia “non-competitive” pool: requires 20% local government investment
- Virginia received \$12.6 million in tax credits in 2009

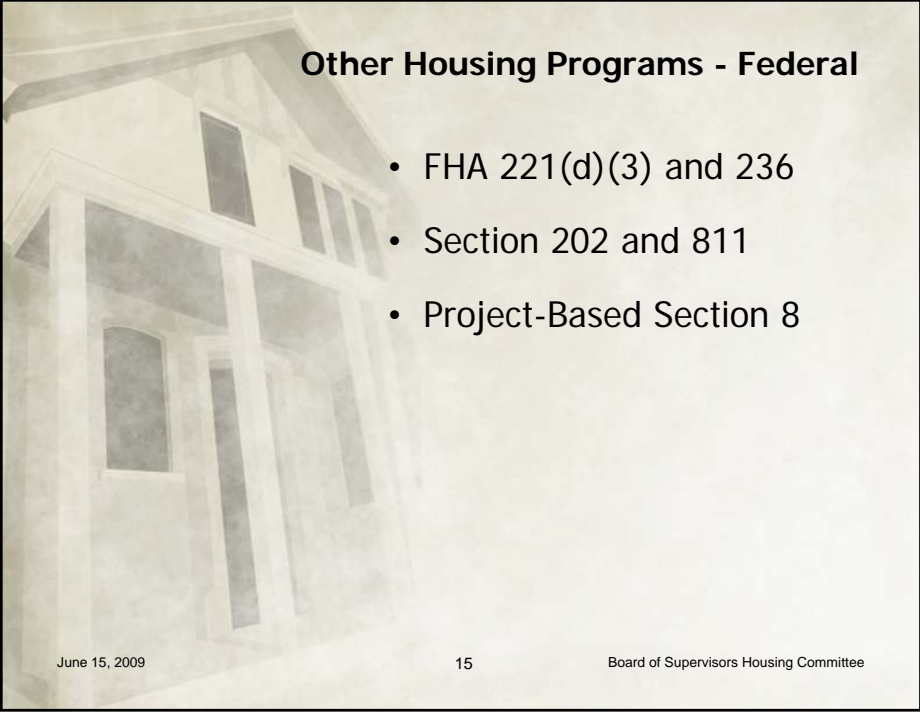
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Tax Credit Housing in Fairfax County

- 5,874 units developed with tax credits, including 90 units now under construction at Olley Glen
- 73% private developers
- 9% non-profit organizations
- 18% FCRHA-owned (partnership properties)

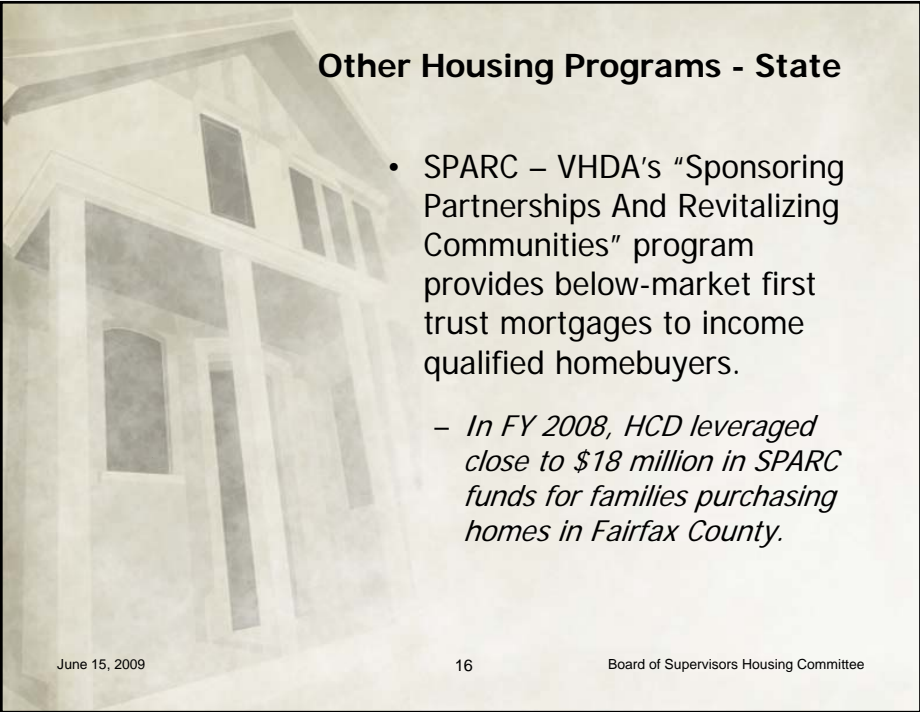
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Other Housing Programs - Federal

- FHA 221(d)(3) and 236
- Section 202 and 811
- Project-Based Section 8

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Other Housing Programs - State

- SPARC – VHDA's "Sponsoring Partnerships And Revitalizing Communities" program provides below-market first trust mortgages to income qualified homebuyers.
 - *In FY 2008, HCD leveraged close to \$18 million in SPARC funds for families purchasing homes in Fairfax County.*

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Other Housing Programs – Fairfax County

Rental Housing and Development

Serving Special Needs

Homeownership and Self-Sufficiency

- The Penny for Affordable Housing Fund
- Senior Housing (414 units)
- Fairfax County Rental Program (1,932 units)
- Magnet Housing (49 units in FCRP)
- Tenant Based Rental Assistance (TBRA)
- Affordable Assisted Living (112 beds)
- Group Homes (7 facilities)
- Housing First (121 units/vouchers)
- SRO/RSU (19 units)
- ADU/First-time Homebuyers Program (152 homes purchased in 2008)
- Workforce Housing (849 units committed by developers)
- Woodley Hills Mobile Home Park (115 units)
- Home Improvement Loan Program (HILP)
- Home Equity Loan Program (HELP)
- Silver Lining Initiative/Foreclosures
- Partnership for Permanent Housing

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Other FCRHA-owned Affordable Housing



Braddock Glen (Braddock District)



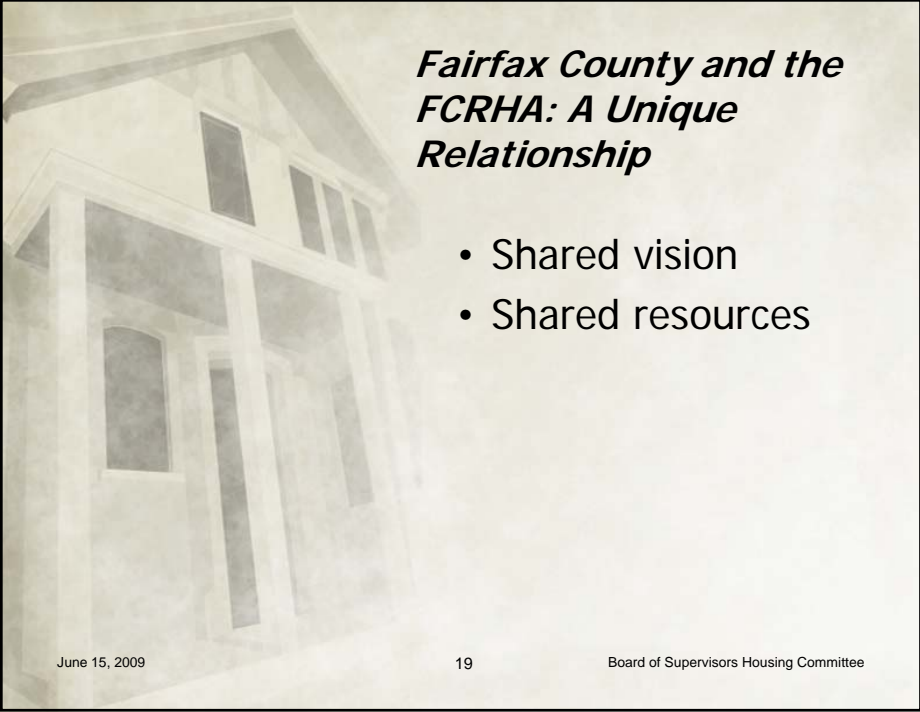
Gum Springs Glen (Mount Vernon District)



East Market (Magnet Housing)
(Springfield District)



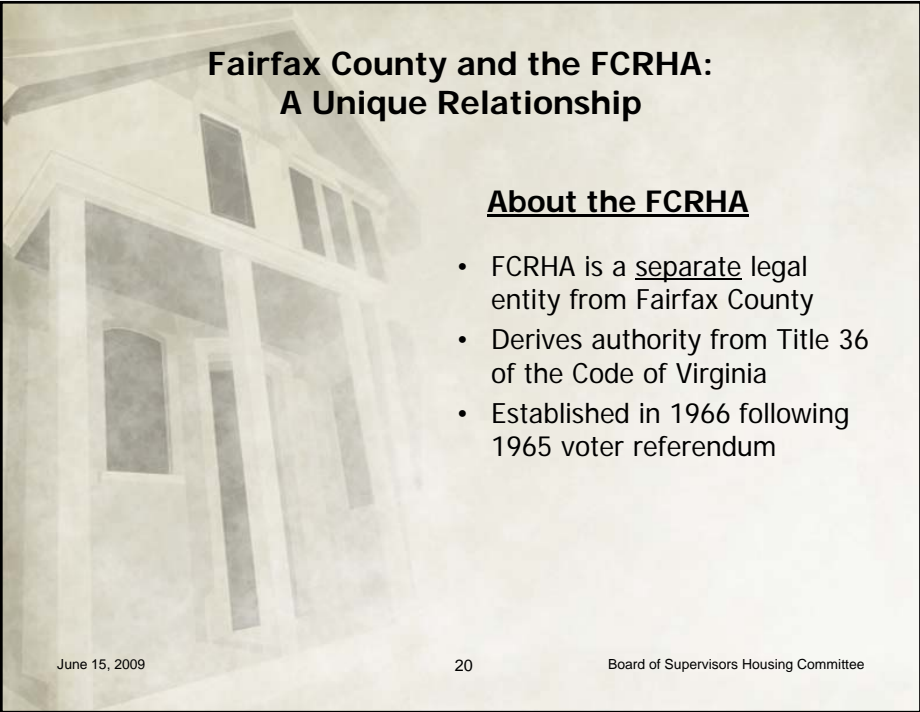
The Crescent
(Hunter Mill District)



Fairfax County and the FCRHA: A Unique Relationship

- Shared vision
- Shared resources

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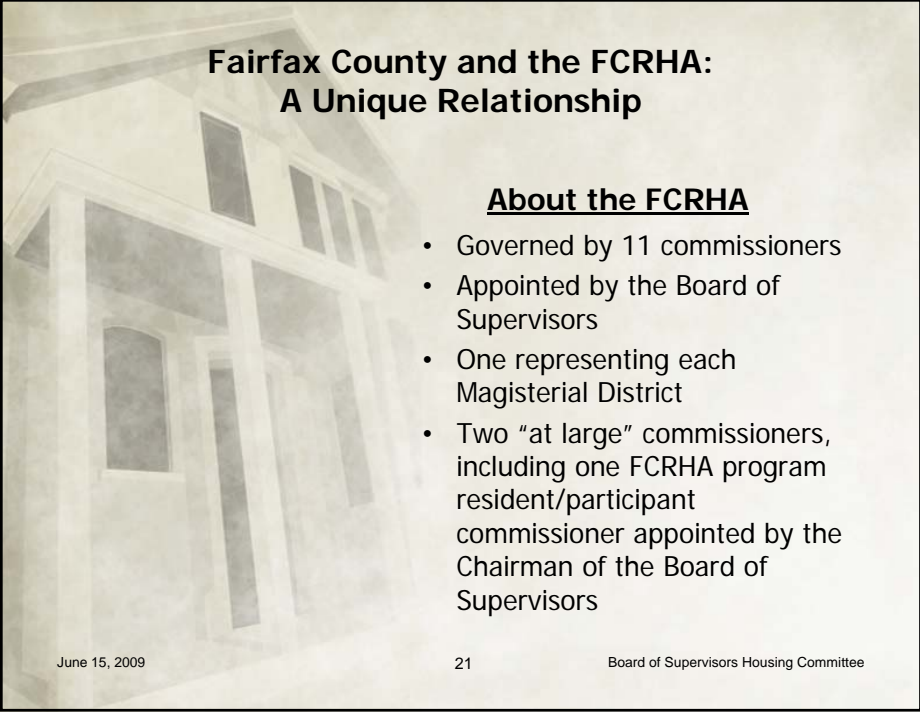


**Fairfax County and the FCRHA:
A Unique Relationship**

About the FCRHA

- FCRHA is a separate legal entity from Fairfax County
- Derives authority from Title 36 of the Code of Virginia
- Established in 1966 following 1965 voter referendum

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Fairfax County and the FCRHA: A Unique Relationship

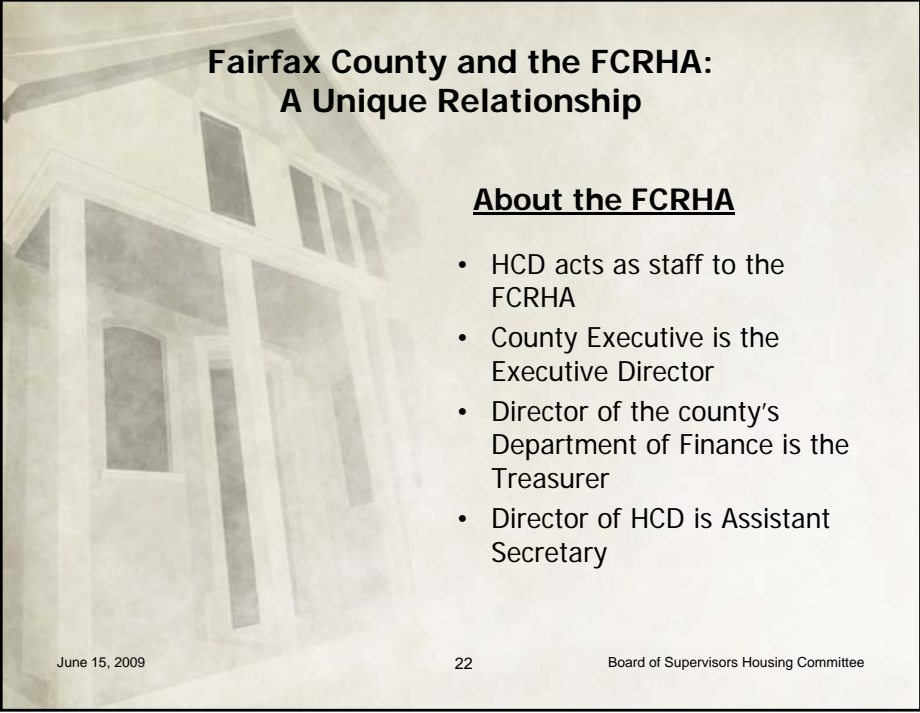
About the FCRHA

- Governed by 11 commissioners
- Appointed by the Board of Supervisors
- One representing each Magisterial District
- Two “at large” commissioners, including one FCRHA program resident/participant commissioner appointed by the Chairman of the Board of Supervisors

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Fairfax County and the FCRHA: A Unique Relationship

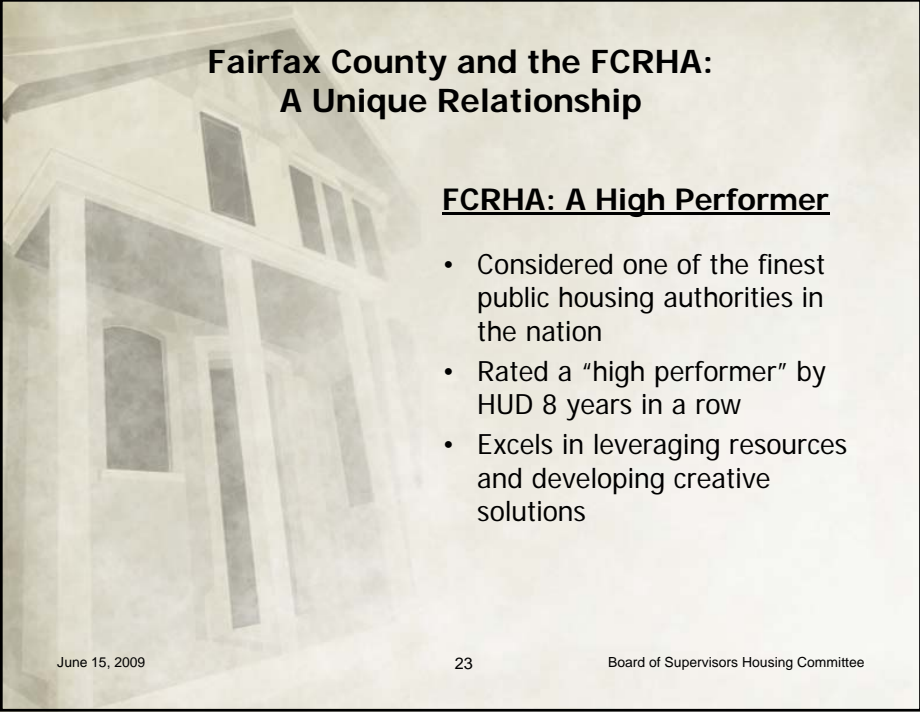
About the FCRHA

- HCD acts as staff to the FCRHA
- County Executive is the Executive Director
- Director of the county's Department of Finance is the Treasurer
- Director of HCD is Assistant Secretary

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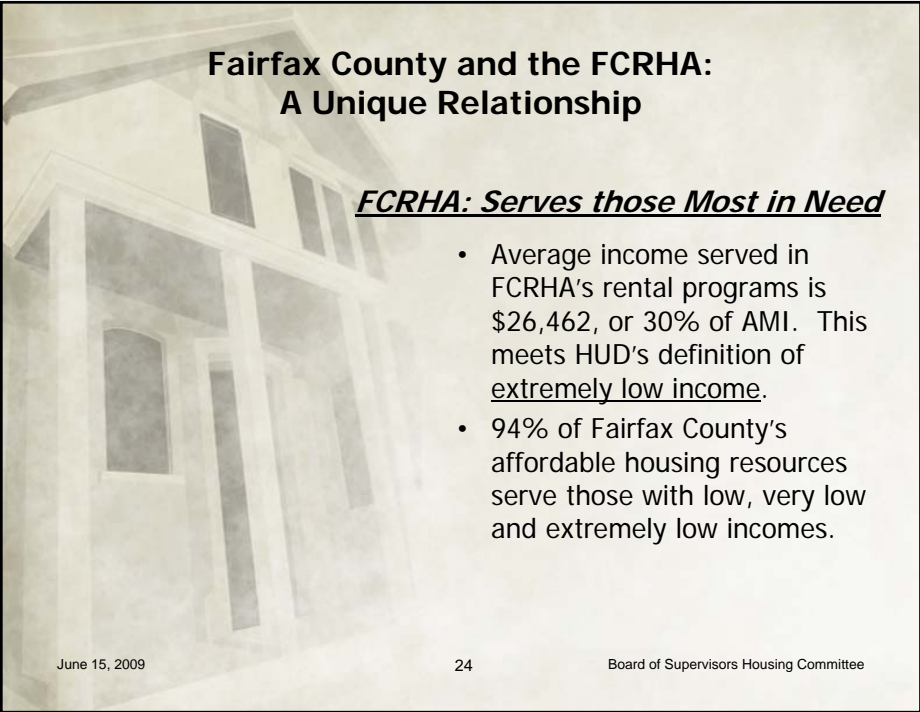


**Fairfax County and the FCRHA:
A Unique Relationship**

FCRHA: A High Performer

- Considered one of the finest public housing authorities in the nation
- Rated a “high performer” by HUD 8 years in a row
- Excels in leveraging resources and developing creative solutions

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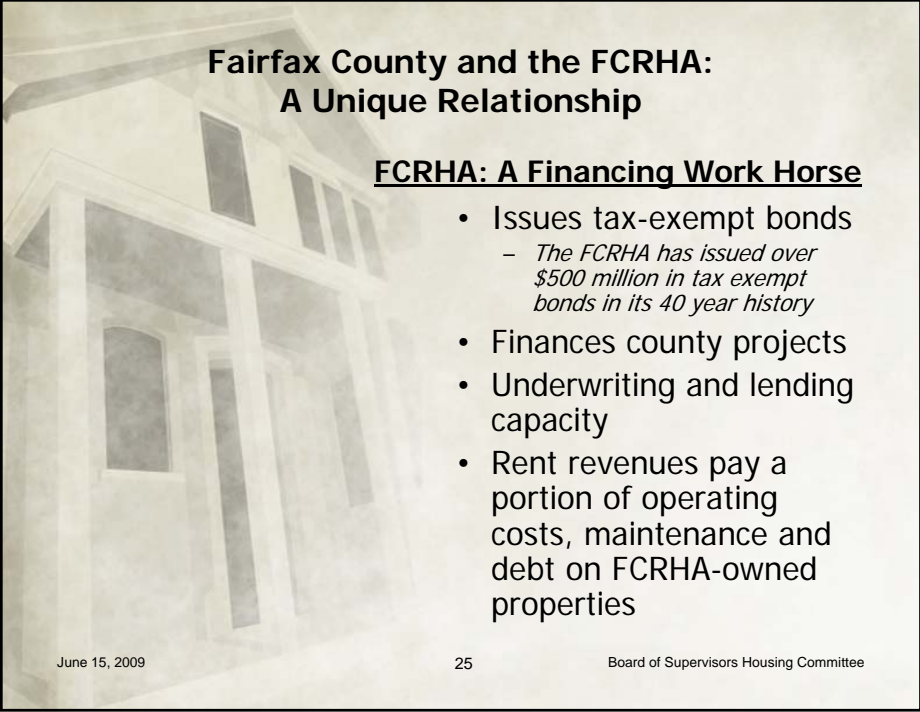


**Fairfax County and the FCRHA:
A Unique Relationship**

FCRHA: Serves those Most in Need

- Average income served in FCRHA’s rental programs is \$26,462, or 30% of AMI. This meets HUD’s definition of extremely low income.
- 94% of Fairfax County’s affordable housing resources serve those with low, very low and extremely low incomes.

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Fairfax County and the FCRHA: A Unique Relationship

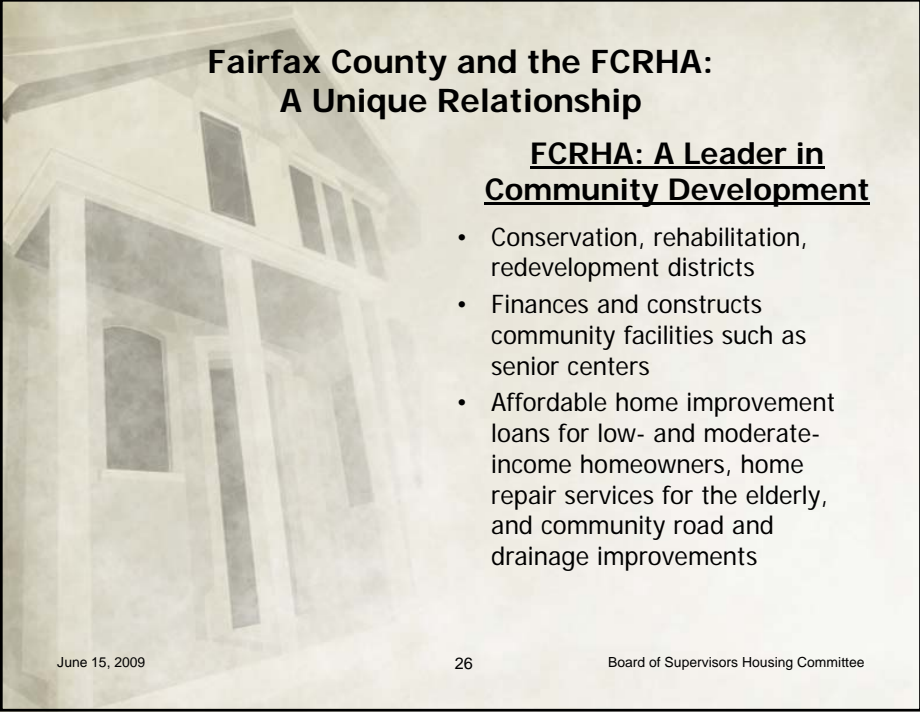
FCRHA: A Financing Work Horse

- Issues tax-exempt bonds
 - *The FCRHA has issued over \$500 million in tax exempt bonds in its 40 year history*
- Finances county projects
- Underwriting and lending capacity
- Rent revenues pay a portion of operating costs, maintenance and debt on FCRHA-owned properties

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Fairfax County and the FCRHA: A Unique Relationship

FCRHA: A Leader in Community Development

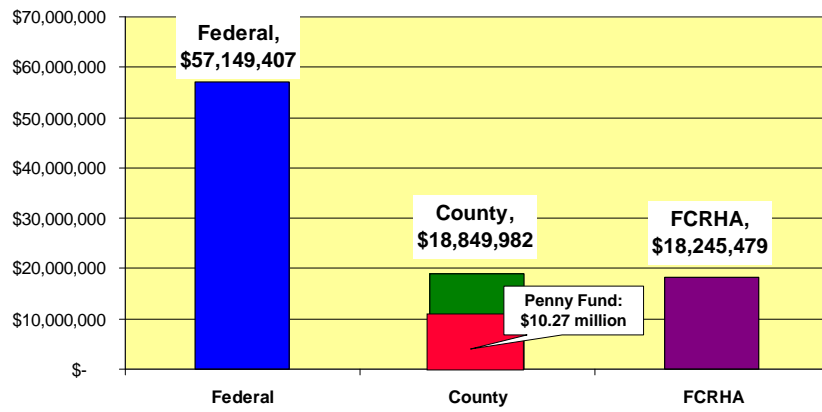
- Conservation, rehabilitation, redevelopment districts
- Finances and constructs community facilities such as senior centers
- Affordable home improvement loans for low- and moderate-income homeowners, home repair services for the elderly, and community road and drainage improvements

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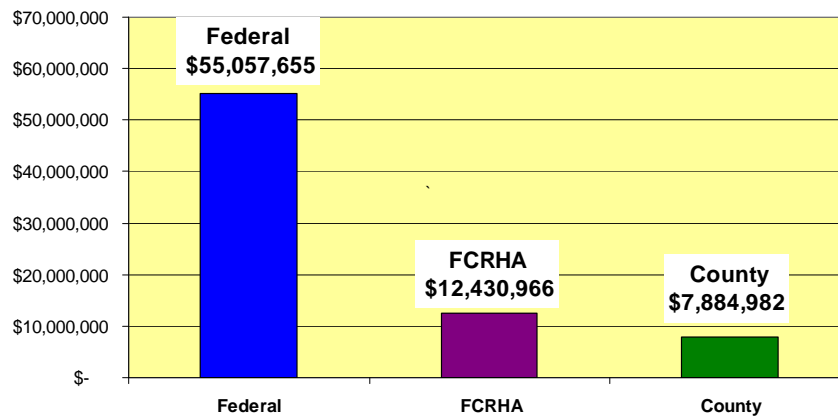
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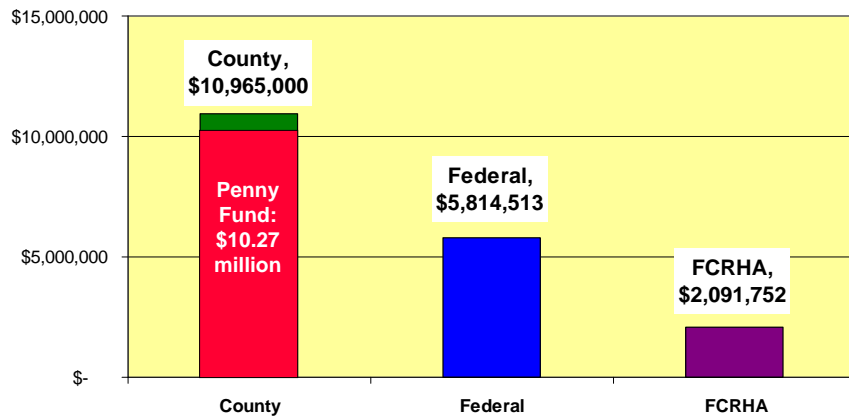
**Department of Housing and Community Development
FY 2010 Total Expenditures = \$94,244,868**



**Department of Housing and Community Development
FY 2010 Operating Expenditures = \$75,373,603**

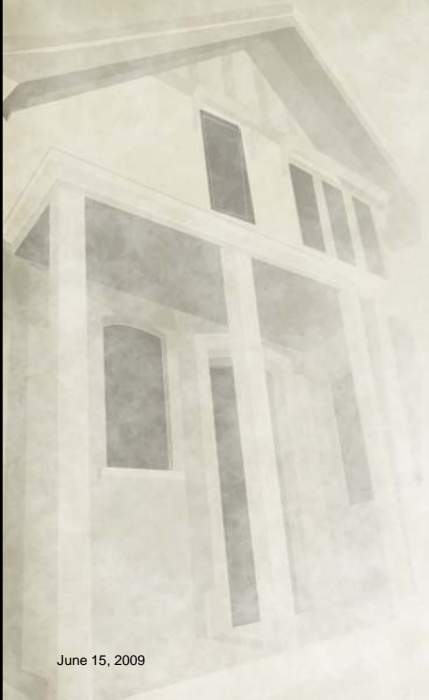


**Department of Housing and Community Development
FY 2010 Capital Expenditures = \$18,871,265**



The Penny for Affordable Housing Fund


- Established in 2005 in response to recommendations from citizen task force
- \$85.3 million appropriated for affordable housing through FY 2009
- Highly-utilized resource
- Leveraged more than \$3:\$1
- Met and exceeded goal set by the Board
- Total of 2,243 units preserved, including 1,809 in Penny Fund transactions
 - 75% of all preserved units are affordable to low income households (60% AMI and below)
 - Nearly 30% are affordable to very low income households (50% AMI and below)
- Non-profits and for-profits have preserved 908 units using the Penny Fund (Over 50%)



The Important Role of Non-Profits

- 16 non-profits provide housing or housing services in Fairfax County
- 2,488 units of affordable housing are owned by non-profits – many acquired with assistance/financing from the FCRHA


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The Important Role of Non-Profits

- Fairfax County provides over \$17 million (FY 2008) annually to non-profits for housing capital projects
 - CCFP
 - AHPP
 - CHDO Set-Aside

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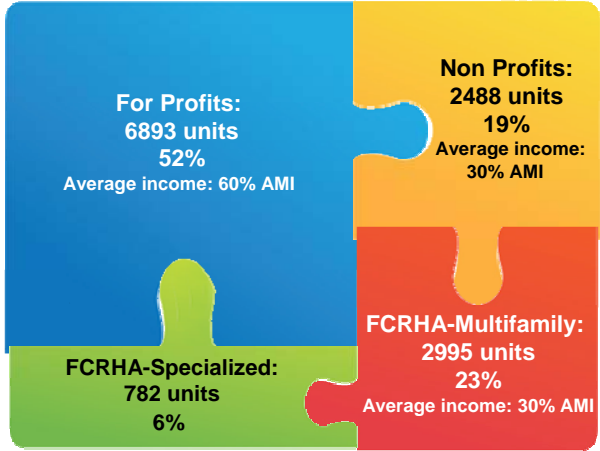


The Role of For-Profits in Affordable Housing

- Over 1,400 private landlords participate in HCV program
- 2,280 ADUs developed since 1992
- 849 Workforce Housing units in the pipeline
- 5,446 tax credit and other HUD-financed units
- 770 units financed through FCRHA tax-exempt bonds

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Who Owns Affordable Housing Units in Fairfax County?



Ownership Type	Units	Percentage	Average Income
For Profits	6893	52%	60% AMI
Non Profits	2488	19%	30% AMI
FCRHA-Specialized	782	6%	-
FCRHA-Multifamily	2995	23%	30% AMI

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- Questions
- Discussion