

MEETING AGENDA

FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY COMMITTEE OF THE WHOLE

Wednesday, February 11, 2026

Fairfax County Redevelopment and Housing Authority Whiteside Board Room
4530 University Drive, Fairfax, Virginia 22030

6:00 p.m. – CALL TO ORDER

STAFF PRESENTATION FCRHA Portfolio Briefing Update

APPROVAL OF MINUTES December 10, 2025

DRAFT ACTION ITEMS FOR FEBRUARY 19, 2026:

1. Resolution Number XX-26 Authorization of Subordinate Financing Up to \$2,000,000 to a Subsidiary of Enterprise Community Development for the Renovation of Coralain Gardens and to Amend Related Existing Loan Documents (Mason District)
2. Resolution Number 0X-26 Authorization to Extend the Maturity Date of Loans between Morris Glen Limited Partnership and the Fairfax County Redevelopment and Housing Authority (Franconia District)
3. Resolution Number 0X-26 Adoption of the Fairfax County Redevelopment and Housing Authority Fiscal Year 2027 Strategic Plan
4. Resolution Number 0X-26 Authorization, Subject to Board of Supervisors Approval, to Make Loans to Affiliates of Wellington Development Partners of up to \$8,100,000 to Finance the Development of Agape Chantilly House Phase Two (Sully District)
5. Resolution Number 0X-26 FCRHA Authorization to Administer Loans of up to \$50,000 to First-time Homebuyers Using Virginia Housing REACH Funds

CLOSED SESSION

ADJOURNMENT

Fairfax County is committed to a policy of nondiscrimination in all County programs, services and activities and will provide reasonable accommodations upon request. To request special accommodations call 703-246-5000 (select menu option 8), or TTY 711.



The FCRHA Portfolio

Capital Plan Introduction
February 11, 2026



Empowering Communities,
Building Futures.

A 2010 study estimated a **\$26 B** backlog of capital needs across the nation's public housing portfolio.

15 years later, that backlog is estimated to be **\$169 B** across the country, with dwindling federal resources to recapitalize.



To date, FCRHA's portfolio has been carefully **maintained** through cash management strategies.

As these housing assets continue to age and **deteriorate**, their long-term viability declines.



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HCD staff have been working on a comprehensive long-range plan to **stabilize** the portfolio and to **address** deferred maintenance.

Investment in these assets ensures that they continue to serve the **lowest-income families** in Fairfax County *who the market will not serve.*



A Significant Contributor to the Fairfax Housing Market

~3,800 households served

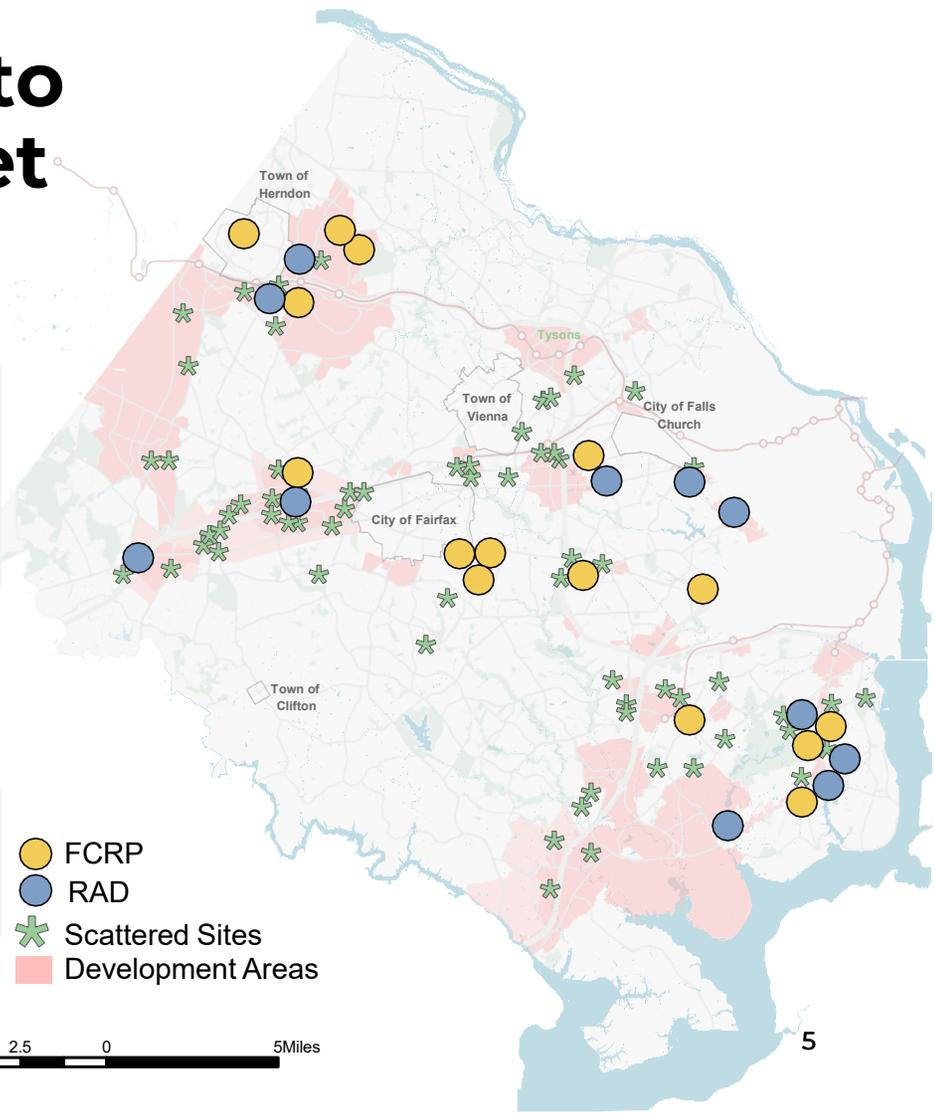
Icons representing housing types:

- Campus (row of three houses)
- Townhomes (row of three houses)
- Condos (house with balcony)
- Group Homes (house with three people)
- Assisted Living (house with person in wheelchair)
- Single Room Occupancy (house with person)
- Manufactured Homes (house on foundation)

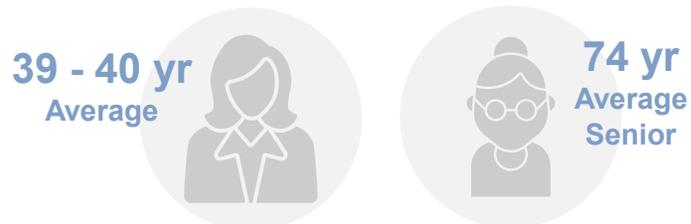
Average Household Income below **35% AMI**

Icons representing target populations:

- families (group of four people)
- individuals living with a disability (person in wheelchair)
- older adults (elderly person)



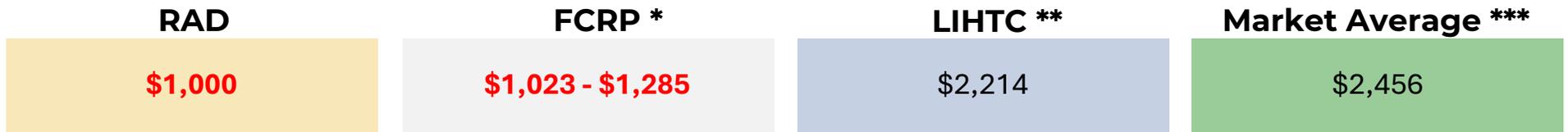
Who Lives In A FCRHA Property?



	Average Income	Average AMI Level	Average Household Size
FCRP Family	\$49,904	~34 %	3
RAD Family	\$21,368	~13 %	3
FCRP Senior	\$29,917	~33 %	1
60% AMI (LIHTC)	\$88,560	60 %	3



FCRHA Rents Are Extremely Affordable



* Averages vary by property type within FCRHA portfolio

** Set at 30% of income for 3-person households earning 60% of Fairfax County Area Median Income (AMI)

** Fairfax average rent from Zillow, Apartments.com included



A Snapshot of FCRHA Campus Properties

The average building lifecycle of property is between 30-50 years.



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The Need For A Capital Plan



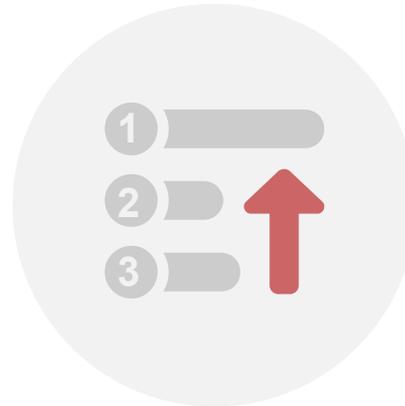
Inventory of Assets

Identifying major, complex and non-recurring Issues



Assessment of Needs

Reporting current condition and 5 – 20-year projections of needs including pricing



Prioritize Projects

Ranked by urgency, safety and compliance



Funding Strategy

Costs, gaps and resources



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Assessing the Physical Condition of Assets



Life Safety/Code



Failing Systems



Security/Privacy



General Repairs

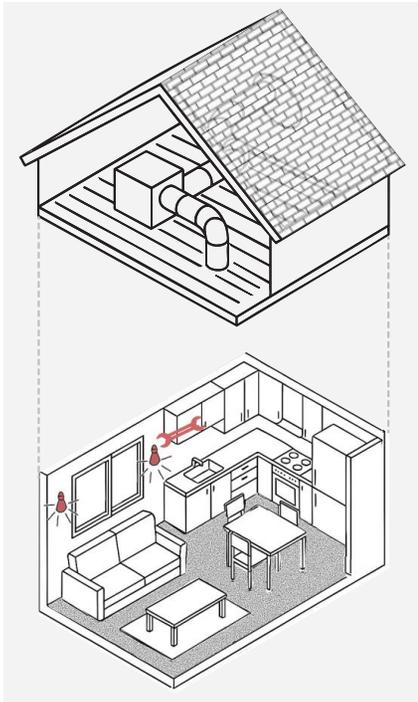


Interior Upgrades



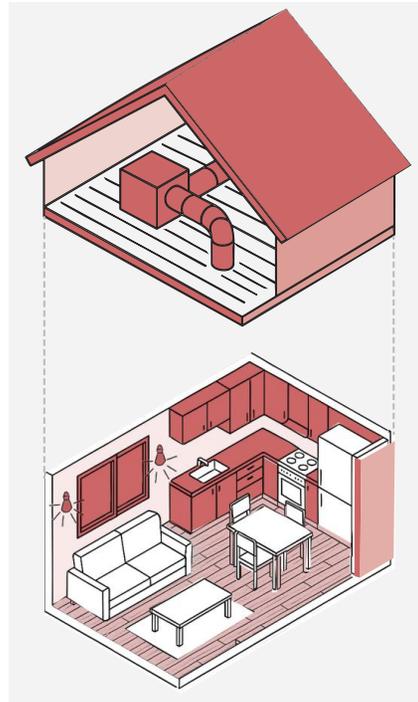
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A Continuum of Property Approaches



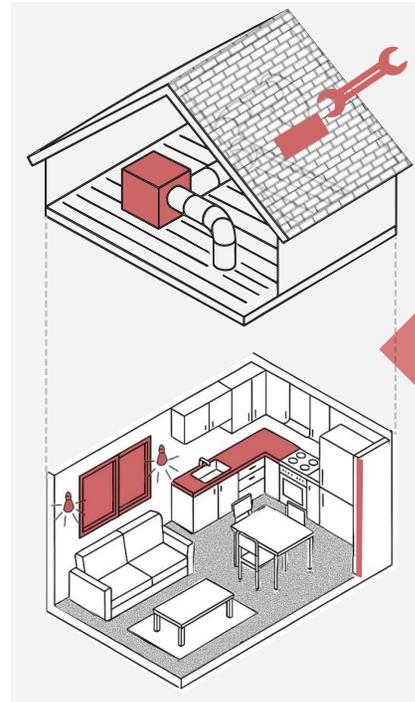
Routine Repairs

Regular maintenance



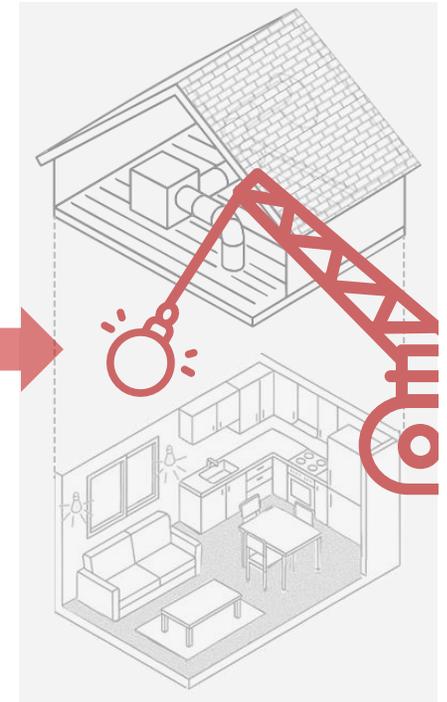
Substantial Rehab

Full replacement and updates



Stabilization

Repairing immediate needs



Redevelopment

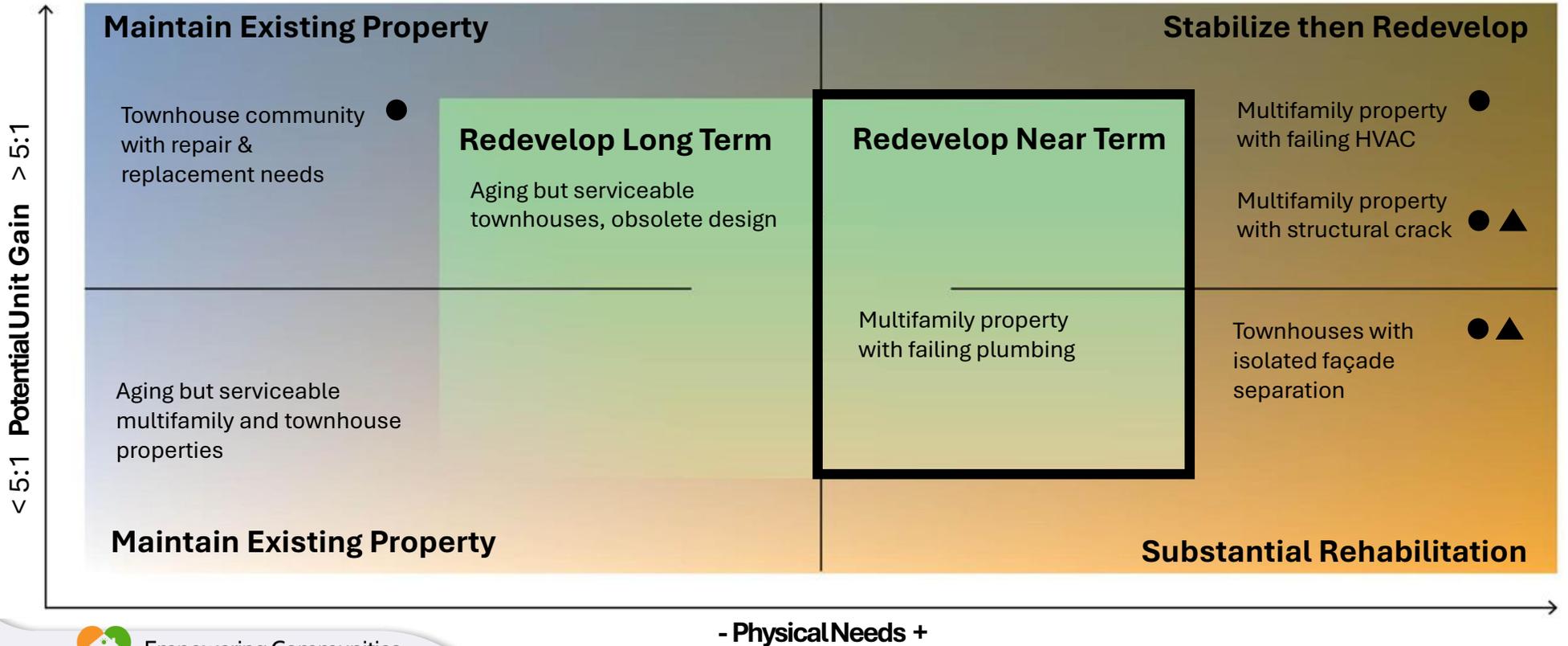
Build New



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Categorizing Priorities Among Properties

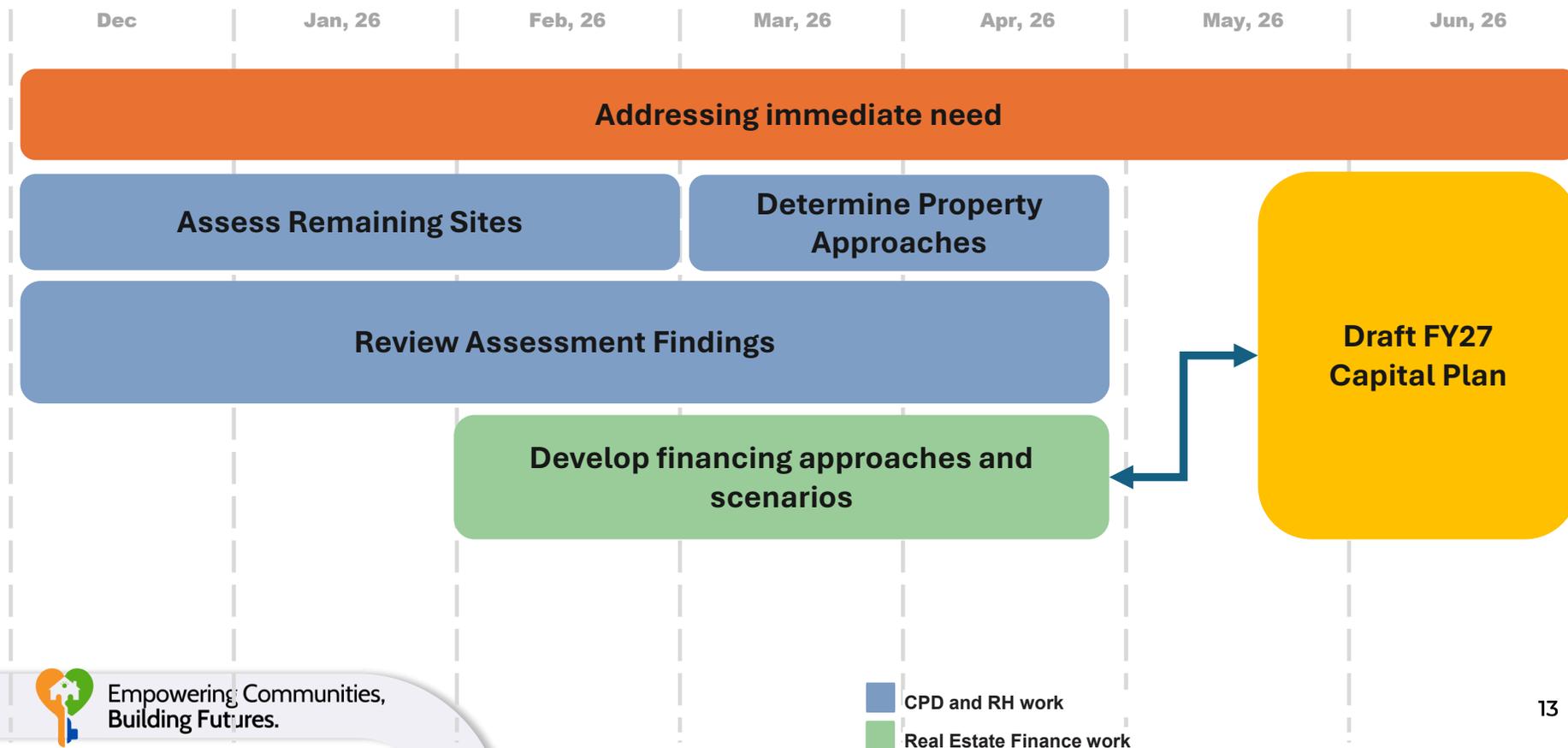
- Within designated County development area
- Adjacent to designated County development areas
- Specific next steps will be determined by further assessments



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- Physical Needs +

Next Steps



Summary & Discussion

- The FCRHA is an essential provider of housing in the County.
- On average, the FCRHA serves the lowest incomes and most vulnerable populations in the County.
- These populations are underserved by the market and affordable housing providers.
- The FCRHA portfolio is aging and has both immediate and long-term needs that will be addressed by the strategic investments prioritized through a capital plan.
- Prudent investment in a FCRHA capital plan will preserve these assets in perpetuity and will limit the County's exposure to a variety of risks.



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Minutes of the Fairfax County Redevelopment and Housing Authority Committee of the Whole All-Virtual Meeting – December 10, 2025

A meeting of the Fairfax County Redevelopment and Housing Authority (FCRHA) Committee of the Whole (Committee) was held virtually on December 10, 2025, via Microsoft Teams.

FCRHA Chairman Lenore Stanton called the FCRHA Committee meeting to order at 6:00 p.m. Attendance for all, or part of the Committee meeting, was as follows:

Present

Lenore Stanton, Chairman
Elisabeth Lardner, Vice Chair
Staci Alexander
Cynthia Bailey
Steven Bloom
Michael Cushing
Sarah Lennon
Nicholas McCoy
Susan Vachal
Paul Zurawski

Absent

Joe Mondoro

The remote location from which the following Commissioners participated was:

Lenore Stanton, Chairman – Reston, Virginia
Elisabeth Lardner, Vice Chair – Alexandria, Virginia
Staci Alexander – Annandale, Virginia
Cynthia Bailey – Oakton, Virginia
Steven Bloom – McLean, Virginia
Michael Cushing – McLean, Virginia
Sarah Lennon – Fairfax, Virginia
Nicholas McCoy – Alexandria, Virginia
Susan Vachal – Oakton, Virginia
Paul Zurawski – Reston, Virginia

Also present at the meeting were the following staff of the Department of Housing and Community Development (HCD): Thomas Fleetwood, Director; Amy Ginger, Deputy Director, Operations; Linda Hoffman, Director, Policy and Communications (P&C); Nathaniel Strathearn, Policy and Program Analyst, P&C; Jason Chia, Information Technology Manager, Central Services; Wesley Fontaine, IT Technician, Central Services; Callahan Seltzer, Director, Real Estate and Community Development Finance (RECDF); Gentry Alexander, Director, Homeownership; Marwan Mahmoud, Project Coordinator, Capital Planning & Development (CPD); and Davood Majidian, Project Manager, CPD.

Also in attendance was FCRHA Counsel: Ryan Wolf, Senior Assistant County Attorney; Brett Callahan and Susan Timoner, Assistant County Attorneys.

All-Virtual Public Meeting:

Pursuant to the FCRHA Policy for All-Virtual Public Meetings, Chairman Stanton noted for the record that there was a physical quorum present. Chairman Stanton passed the virtual gavel to Vice Chair Lardner.

Motion

Chairman Stanton made the motion that the FCRHA Committee of the Whole certify for the record that each Commissioner's voice was adequately heard by each other Commissioner of this Committee.

Commissioners Zurawski seconded the motion. The motion passed unanimously.

Motion

Chairman Stanton made the motion that the FCRHA Committee of the Whole will hold an all-virtual public meeting because other circumstances warrant the holding of an all-virtual public meeting, including, but not limited to, the convenience of an all-virtual meeting.

Commissioner McCoy seconded the motion. The motion passed unanimously.

Motion

Chairman Stanton made the motion that the all-virtual public meeting comports with this Body's previously adopted Policy for All-Virtual Public Meetings.

Commissioner McCoy seconded the motion. The motion passed unanimously.

Motion

Chairman Stanton made the motion that the FCRHA Committee of the Whole conduct this meeting electronically through a dedicated video- and audio-conferencing line, and that the public may access this meeting by calling 1-571-429-5982 and entering access code 413207732#.

Commissioners Zurawski seconded the motion. The motion passed unanimously.

Approval of Minutes:

Commissioner Bailey moved to approve the Minutes of the October 8, 2025, FCRHA Committee Meeting, which Commissioner Cushing seconded. The motion passed with Commissioners Alexander, Lennon, McCoy, and Vachal abstaining.

1. **Draft Action Item:** *Authorization to Execute the Proposed Interim*

Agreement with Columbia Crossroads 4 Limited Partnership and Columbia Crossroads 9 Limited Partnership for the Development of the East County Property Part B (Mason District)

HCD staff gave a presentation on the authorization to execute an Interim Agreement with Columbia Crossroads 4 Limited Partnership and Columbia Crossroads 9 Limited Partnership to develop affordable housing on the FCRHA-owned East County Part B property in the Mason District under the provisions of the Public-Private Education Facilities and Infrastructure Act of 2002. Staff noted the development envisions 160 affordable housing units with a focus on households earning up to 60 percent of the Area Median Income. Staff further noted that the Interim Agreement will enable pre-development activities to commence and does not commit the FCRHA to a final development.

Following the presentation, there was a brief discussion regarding community input on the project, the need to meet the Qualified Census Tract (QCT) application filing deadline, and the frequency that QCT maps are updated.

2. **Draft Action Item:** *Approval to Increase the Maximum Amount of Community Development Block Grant (CDBG) Down Payment Assistance for First-Time Homebuyers*

HCD staff presented information on the request for the FCRHA to approve an increase to the maximum allowable loan of the Fairfax County's CDBG Down Payment Assistance (DPA) Program to \$20,000 for eligible low-and moderate-income first-time homebuyers. Staff noted the changes in the housing market and increased costs associated with purchasing a home from when the DPA Program was first approved and implemented in 2019. The proposed increase would maximize utilization of DPA program funding with no impact on alternate programs or CDBG funding.

Following the presentation, there was a brief discussion in support of the item and clarification on proposed changes from the current program.

Adjournment:

The FCRHA Committee meeting adjourned at 6:24 p.m.

Lenore Stanton, Chairman

(Seal)

Thomas Fleetwood, Assistant Secretary

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ACTION – X

RESOLUTION NUMBER XX-26: Authorization of Subordinate Financing Up to \$2,000,000 to a Subsidiary of Enterprise Community Development for the Renovation of Coralain Gardens and to Amend Related Existing Loan Documents (Mason District)

ISSUE:

It is requested that the Fairfax County Redevelopment and Housing Authority (FCRHA) authorize subordinate financing of up to \$2,000,000, subject to approval by the Fairfax County Board of Supervisors (BOS), to one or more subsidiaries of Enterprise Community Development (ECD) for the renovation of Coralain Gardens Apartments, as well as the amendment of existing FCRHA loan documents regarding Coralain Gardens to facilitate such renovations.

RECOMMENDATION:

Staff recommends that the FCRHA authorize three actions to facilitate ECD's renovation and recapitalization of Coralain Gardens:

1. Approve additional subordinate financing of up to \$2,000,000 from the Affordable Housing Development and Investment (AHDI) Fund and/or HOME Investment Partnership (HOME) and/or Community Development Block Grant (CDBG) to fund the proposed renovations.
2. Permit any FCRHA Assistant Secretary to determine how to allocate both the new \$2,000,000 and the balance of the existing loan between project components if ECD and the Assistant Secretary each determine that the most advantageous deal structure is to separate the project into multiple components (e.g., as a 9/4 low-income housing tax credit "twin" project), and, at the discretion of the Assistant Secretary, bring the terms of the existing loan into conformance with the terms of the new loan.
3. Approve the removal from the existing loan documents of the closing date of July 1, 2026, for securing rehabilitation financing, and replace with a closing date at the discretion of the FCRHA Assistant Secretary, currently anticipated to be no later than December 2028.

TIMING:

Immediate. A commitment for up to an additional \$2,000,000 is needed in order to meet Virginia Housing's March 2026 deadline for 9% Low-income Housing Tax Credit (LIHTC) applications.

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RELATION TO FCRHA STRATEGIC PLAN:

The renovation project aligns with FCRHA's overarching goal of preserving, expanding, and facilitating affordable housing opportunities in Fairfax County.

Affordable Housing Preservation: The Project ensures the preservation of affordability and modernization of 106 existing affordable housing units for a remaining period of 31 years, coterminous with the Land Use Restriction Agreement on the property. Key enhancements to the property, greater than those anticipated in the July 2023 approval, include superior building systems, higher quality finishes, and comprehensive upgrades to common areas and exteriors. A detailed description is listed under the Rehab Development Description section below.

Serving Low-Income Households: The Project will continue to serve residents at or below 60% of the Area Median Income (AMI). ECD plans to develop Permanent Supportive Housing units at Coralain Gardens using Virginia Department of Housing and Community Development (DHCD) Affordable and Special Needs Housing (ASNH) funds, subject to funding award.

Equitable Housing Access: The Project ensures that residents and families have equitable access to a full range of affordable housing opportunities, which is vital to community health and economic success.

BACKGROUND:

Coralain Gardens Apartments (Property) is a 106-unit multifamily property located at 7435 Arlington Boulevard in Falls Church, Virginia, in the Mason District. It was built in 1964 and consists of 4.87 acres of land, including common recreational spaces. Its location on Route 50 within one mile of the Beltway provides access to major highways, and both the Dunn Loring Metro Station and Merrifield are within three miles.

In 2007, the prior owner, RST Development, LLC (RST) acquired and renovated the Property using LIHTC equity and a \$5,300,000 loan from the FCRHA, among other sources. In connection with the 2007 FCRHA loan, RST granted the FCRHA a right of first refusal (ROFR), giving the FCRHA the right to buy the Property if RST decided to sell it.

In 2023 – roughly 15 years after its acquisition of the Property – RST sought to sell the Property and triggered the FCRHA's 2007 ROFR. The FCRHA assigned its right to purchase the Property under the ROFR to a subsidiary of Enterprise Community

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Development (ECD), and ECD acquired the Property and assumed the balance of the FCRHA's 2007 in December 2023.

ECD planned to pursue financing for substantial renovations after acquiring the site, and the FCRHA required that ECD close on such financing by July 1, 2026. ECD's senior bridge financing also matures in December 2026, though ECD can extend the maturity to the end of 2027.

Due to the Environmental Protection Agency's (EPA) termination of anticipated Greenhouse Gas Reduction Fund (GGRF) funding of \$6,650,000 in March 2025, ECD cannot meet the original July 1, 2026, financing closing deadline. As such, ECD will now pursue a funding strategy of twinning 4% and 9% LIHTC for the Project, with total development costs split between two different financing structures. ECD anticipates submitting its application for the competitive 9% LIHTC allocation from Virginia Housing by March 12, 2026.

Rehab Development Description:

ECD originally requested a loan of up to \$5,000,000 through the FY 2026 Notice of Availability of Funding Application (NOFA) to support the Project. Since the application under the NOFA, ECD received the ASNH award from Virginia DHCD (December 2025), so HCD staff is recommending FCRHA Board approval for a loan of up to \$2,000,000.

The additional loan supports an enhanced plan that elevates the quality, durability, accessibility, and sustainability of the Property. The original renovation scope as outlined in the July 20, 2023 FCRHA Board Item provided a baseline rehabilitation consistent with Virginia Housing LIHTC requirements, while the new scope anticipates:

- **Expanded Health, Safety, and Compliance Measures.**
The new renovation plan addresses general improvements, code compliance, and health and safety needs.
- **More Efficient Building Systems and Infrastructure Upgrades.**
The original plan aimed to replace old heating, ventilation, and water systems. The enhanced plan includes energy upgrades, such as replacing old systems with new, high-efficiency Energy Star electric units.
- **High Quality Interior Finishes and Resident Amenities.**
The previous plan included basic upgrades to kitchens, bathrooms, and flooring. The new plan anticipates enhanced finishes and appliances in kitchens and bathrooms.
- **Comprehensive Common Area and Exterior Enhancements.**

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The new plan includes new entry systems that use card-reader fobs for access as well as upgraded finishes in common areas and ADA-compliant restrooms.

- **Long-Term Value and Sustainability.**

The upgraded plan will extend the building's useful life, increase energy and water efficiency, and prevent the need for costly future repairs by upgrading all major systems and using durable materials.

Proposed Financing and Analysis:

The Property's new projected renovation hard cost is approximately \$156,025 per unit, as compared to the original plan's \$113,636 per unit, with a total budget of approximately \$50.2 million. This increased investment provides greater health and safety protections, code compliance and accessibility, resident quality of life, and long-term sustainability. The new renovation scope is intended to ensure that Coralain Gardens remains a high-quality, affordable housing option.

The Project is structured to utilize both 9% and 4% LIHTCs and will likely be a phased closing. Phase one, which utilizes 4% LIHTC to cover 64 units, is anticipated to reach financial closing by third quarter of 2026. Phase two will use 9% LIHTC for the remaining units, with an anticipated closing by first quarter of 2027 and projected construction completion by the third quarter 2027, subject to the terms in Attachment 2 (Term Sheet). The requested loan is important as it increases the competitiveness of the 9% LIHTC application which awards points based on the amount of local subsidized funding. Additionally, the requested funding will be used with other essential project financing sources, including an anticipated First Mortgage from Virginia Housing, LIHTC equity, a seller note, reserves, developer fee, and the existing FCRHA loan to fund the proposed renovations.

PROJECT RISKS

While staff recommends approval, there are inherent risks associated with funding, including:

- 1. Market and Construction Cost Volatility:** The current economic climate includes significant volatility in construction material costs, labor shortages, and interest rate fluctuations. The proposed development budget relies on current estimates that may change dramatically between now and the project's construction anticipated start date in 2027. If costs or interest rates change significantly, the \$2,000,000 commitment may not be sufficient to bridge potential future funding gaps without additional funding or project redesigns.
- 2. Virginia Housing QAP Scoring Risk:** Virginia Housing's QAP is highly competitive, and the scoring metrics change annually. Even with FCRHA's commitment, there is

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no guarantee that ECD's application will score high enough to receive an allocation of 9% LIHTCs.

- 3. First Dollar Construction Risk:** The project may require that the new \$2,000,000 be the first dollars into the project during the construction process. Typically, Blueprint loans are funded either upon completion of construction, or half at completion and half at 50% construction. In general terms, earlier loan funds carry greater risk due to the greater amount of remaining construction work to be completed. However, using FCRHA funds earlier also benefits the project in that ECD can correspondingly delay drawing on other, more expensive sources of funding.
- 4. Federal Funds & Foreclosure:** If HOME and CDBG funds are used to fund any portion of the loan and if there is later a foreclosure under ECD's senior loan that both terminates the project's affordability and occurs before the federally-required minimum affordability period has elapsed, then the FCRHA would need to reimburse the HOME / CDBG program (as applicable) for the amount of the expended HOME/CDBG funds. The loan will be secured with a subordinate deed of trust, which may or may not provide the necessary funds, depending on the foreclosure sale price.

STAFF IMPACT:

HCD staff continue to spend a considerable amount of time underwriting the transaction and working directly with ECD to achieve closing. The Office of the County Attorney will continue to assist with legal review of project documents.

FISCAL IMPACT:

Up to \$2,000,000, will be funded from a combination of AHDI Housing Blueprint Loan Funds, HOME Investment Partnership funds, and/or Community Development Block Grant (CDBG). FCRHA Assistant Secretary can make a determination of how the requested \$2,000,000 is distributed across individual sources and how the value of the original loan is allocated between the designated LIHTC entities, once ECD finalizes its 9% and 4% structure. The FCRHA will receive annual monitoring fee to Fund 81000, FCRHA General Operating Fund.

ENCLOSED DOCUMENTS:

- Attachment 1 – Resolution Number XX-26
- Attachment 2 – Project Information and Financing Plan
- Attachment 3 – FCRHA Loan Term Sheet
- Attachment 4 – Location Map

FCRHA Agenda Item
February 19, 2026

STAFF:

Thomas Fleetwood, Director, Department of Housing and Community Development, (HCD)

Anna Shapiro, Deputy Director, Real Estate Finance and Development, HCD

Callahan Seltzer, Division Director, Real Estate and Community Development Finance (RECDF), HCD

Meghan Van Dam, Division Director, Planning and Inclusionary Housing (PIH), HCD

Lucinda Metcalf, Associate Director of Housing Preservation, PIH, HCD

Rachel Waldman, Associate Director, RECDF, HCD

Jeremy Welsh-Loveman, Real Estate Finance Project Manager, RECDF, HCD

ASSIGNED COUNSEL:

Ryan Wolf, Senior Assistant County Attorney

DRAFT

RESOLUTION NUMBER XX-26

Authorization of Subordinate Financing Up to \$2,000,000 to a Subsidiary of Enterprise Community Development for the Renovation of Coralain Gardens and to Amend Related Existing Loan Documents (Mason District).

NOW, THEREFORE, BE IT RESOLVED that the Fairfax County Redevelopment and Housing Authority (FCRHA) hereby authorizes:

One or more loans of, in the aggregate, up to \$2,000,000.00 to one or more subsidiaries of Enterprise Community Development (ECD) for renovation of Coralain Gardens Apartments, subject to approval by the Board of Supervisors of Fairfax County, Virginia;

The allocation and adjustment of terms of the FCRHA's existing loan to an ECD affiliate to facilitate the renovation, at the discretion of any Assistant Secretary; and

The extension of the deadline for ECD to secure full financing for the renovations, as consistent with the terms presented in the item brought to the FCRHA on February 19, 2026.

BE IT FURTHER RESOLVED that the FCRHA authorizes any Assistant Secretary to execute all documents, agreements, and instruments and to take such other steps as may be reasonably necessary or appropriate in connection with the making of the supplemental loan for the Project.

Attachment 2

Project Information and Financing Plan

Project Costs and Financing		
Development Costs		Cost (\$)
Acquisition		\$24,150,000.00
Rehabilitation/Construction Costs		\$16,538,675.00
Architecture and Engineering		\$721,151.00
Professional Services		\$825,408.00
Operating and Carrying Costs		\$0.00
Financing Costs		\$1,786,405.00
Legal Fees		\$389,623.00
Reserves and Escrows		\$1,233,248.00
Developer's Fee		\$4,511,561.00
Total Development Cost:		\$50,156,071.00
Development Source(s)	Type	Amount
LIHTC Equity (9%)	Equity	\$6,799,320.00
LIHTC Equity (4%)	Equity	\$8,869,417.00
ASNH 2025 Round (4%)	Soft	\$2,998,561.00
Blueprint (9%)	Soft	\$2,000,000.00
Virginia Housing Mortgage (4%)	Senior Permanent	\$12,229,959.00
Virginia Housing Mortgage (9%)	Senior Permanent	\$7,151,715.00
FCRHA Existing Loan (4%)	Soft	\$2,627,017.00
FCRHA Existing Loan (9%)	Soft	\$1,723,980.00
Seller Note and Reserves (combined)	Soft	\$3,513,346.00
Deferred Developer Fee	Soft	\$2,242,756.00
Total		\$50,156,071.00

Attachment 3

Coralain Garden Project

Term Sheet for FCRHA Loan(s)

- Borrower(s):** One or more subsidiaries of Developer. If Developer elects to split the project into two components (e.g., to use a 9/4 twin LIHTC structure), each component will be owned by a separate affiliated entity.
- Developer:** Enterprise Community Development
- Project Address:** 7435 Arlington Blvd, Falls Church, VA 22042.
- Amount:** An aggregate total of up to \$2,000,000. If Developer elects to split the project into two components (e.g., to use a 9/4 twin LIHTC structure), loan may be split between components.
- Interest Rate:** 3% simple interest per annum. Interest will accrue on funds as they are disbursed.
- Repayment:** Loan will be repaid from annual net cash flow (NCF). NCF includes cash flow remaining after payment of must-pay debt service, operating expenses, operating reserves, deferred developer fee, and such other expenses as the FCRHA may reasonably approve. Payments made will be applied first to accrued interest, then to principal. All outstanding principal and accrued but unpaid interest will be due on the maturity date.
- Term:** Will be coterminous with the term of the first-position permanent loan.
- Security:** FCRHA loans will be secured by a deed of trust and will be subordinate only to the first-position deed of trust. However, one or more FCRHA loans may be in lower priority lien position if acceptable to the FCRHA in its sole discretion. If the project is funded with multiple FCRHA funds, then an FCRHA loan will be in second position, followed by other FCRHA loans in third position, fourth position, etc. At Loan Closing (and not as an ongoing requirement to release loan proceeds), the value of the property, as determined by an appraisal acceptable to the FCRHA, must exceed the aggregate debt of the FCRHA loan(s) together with all higher priority loans.
- Affordability:** Will be consistent with the terms of existing FCRHA affordability restrictions, requiring (across the entire project) 28 units to be affordable at or below 50% AMI and a further 78 units at or below 60% AMI.

- Right of First Offer: Borrower will provide FCRHA with a right of first offer (ROFO) for the property (or on each component of the property, if there are multiple components).
- Developer Fee: Borrower may pay a developer fee to Developer, the total and deferred amounts of which are subject to the approval of the FCRHA. Borrower may recoup its deferred developer fee in full before making payments on FCRHA loans, subject to terms to be finalized between FCRHA and Borrower.
- Borrower will make no other payments to Developer (or affiliates of Developer) without the prior consent of the FCRHA.
- Monitoring Fee: Borrower will pay to the FCRHA a total annual monitoring fee of \$15,000 (in the aggregate, if multiple project components), escalating at 3% annually for monitoring project compliance with the affordability requirements detailed in the loan documents. The fee is must-pay. FCRHA reserves the right to adjust the initial fee amount prior to closing based on its analysis of available projected cash flow.
- Reserves: At funding, Borrower will establish a repair and replacement reserve. Such amount may be consistent with the first position lender's or investor's requirements, as approved by the FCRHA. Borrower will contribute funding in an amount equivalent to the existing repair and replacement reserve, held for the property, to fund this project. FCRHA may require additional ongoing funding to the replacement reserve, after payment of debt service for first position mortgage, in excess of \$300, subject to approval for senior lender.
- Transfers: Borrower may not transfer the property, in whole or in part, by operation of law or otherwise, without the prior approval of the FCRHA, not to be unreasonably withheld. Borrower may, however, transfer the property to an affiliate under common control, as further described in the loan documents to be negotiated for the project, provided that Borrower must notify the FCRHA in advance and the transferee must assume the loan(s).
- No interests in the Borrower may be transferred without the prior approval of the FCRHA, not to be unreasonably withheld, except (i) for cause, as set forth in Borrower's partnership/operating agreement; and (ii) for transfers of the investor's interests in the Borrower to Borrower's general partner / managing member (or to a commonly controlled affiliate) after the end of the LIHTC compliance period.

Senior Loan: The first position loan must have a fixed interest rate, provided that the FCRHA may approve a variable rate senior construction loan in its sole discretion. The permanent first position loan must amortize fully.

First position lender must enter into intercreditor or subordination agreement with the FCRHA on terms reasonably acceptable to the FCRHA.

Other Loans: Other than the loans represented in the application for the Project, Borrower may not subject the property to any deed of trust or other lien, whether senior or subordinate to the FCRHA loan(s), without the prior approval of the FCRHA.

Borrower may not obtain any unsecured loans without the prior approval of the FCRHA, except for an unsecured loan that is cash flow dependent and the repayment of which would come after annual payment of the FCRHA loan(s) in priority of payment from NCF.

Refinancing: Borrower may not refinance senior debt on the Project without the FCRHA's consent. FCRHA loans will become due upon any refinancing of the senior permanent loan. The FCRHA, in its sole discretion, may agree to resubordinate one or more of the FCRHA loans upon such refinancing.

Termination: The FCRHA may terminate this commitment as to any portion of the project that does not close by December 31, 2027, subject to extension upon mutual agreement.

Closing
Conditions:

Borrower will execute the FCRHA loan documents concurrently with Borrower's construction loan closing (Closing). Unless waived by the FCRHA in its sole discretion, the following conditions must be met before Closing:

- Fully executed construction loan documents and construction contract.
- Fully executed partnership/operating agreement of Borrower, with admission of investor.
- Fully executed loan commitment for permanent loan, and all necessary approvals for any other permanent and/or ongoing funding sources.

- A satisfactory appraisal, dated no earlier than 6 months before Closing, showing a property value that exceeds the aggregate debt on the property.
- ALTA survey and Lender's title insurance policy for the benefit of the FCRHA, from a title company acceptable to the FCRHA.
- Building permits
- Borrower organizational documents (including good standing certificate and authorizing resolutions)
- Legal opinion of Borrower's counsel.
- Final underwriting acceptable to the FCRHA, including sources and uses, development budget, annual operating expenses, cash flow analysis, and a development schedule.
- Such other documents and information as the FCRHA may reasonably require.
- Satisfactory evidence that the property will carry casualty insurance, fire insurance, general liability insurance, and other standard types of insurance for such a project.

Disbursement:

FCRHA loan funds may be disbursed at closing of construction financing or later. Conditions precedent to funding the FCRHA loan(s) shall be detailed in the loan documents, and shall include the following:

Fundings Prior to Completion:

- Certification of architect that at least the applicable amount of the construction contract price has been expended, as detailed in the loan agreements.
- Payment and performance bond specifying the FCRHA as a named insured.
- No outstanding defaults under any loan, construction, or other project-related agreement.
- Such other items and information as the FCRHA may reasonably require.

Funding at completion of construction:

- Certificate of substantial completion from project architect

- Final construction lien releases, all occupancy permits, and a set of as-built drawings for the project.
- Such other items and information as the FCRHA may reasonably require.

Use of Funds: FCRHA loan fund disbursements shall be used for eligible rehab costs, soft costs and financing costs.

The FCRHA may permit full or partial exceptions to any provision in this term sheet in its sole discretion. In the event of any conflict between this term sheet and any fully executed FCRHA loan document, the terms of the FCRHA loan document will control. No third party may rely on the contents of this term sheet.

FCRHA:

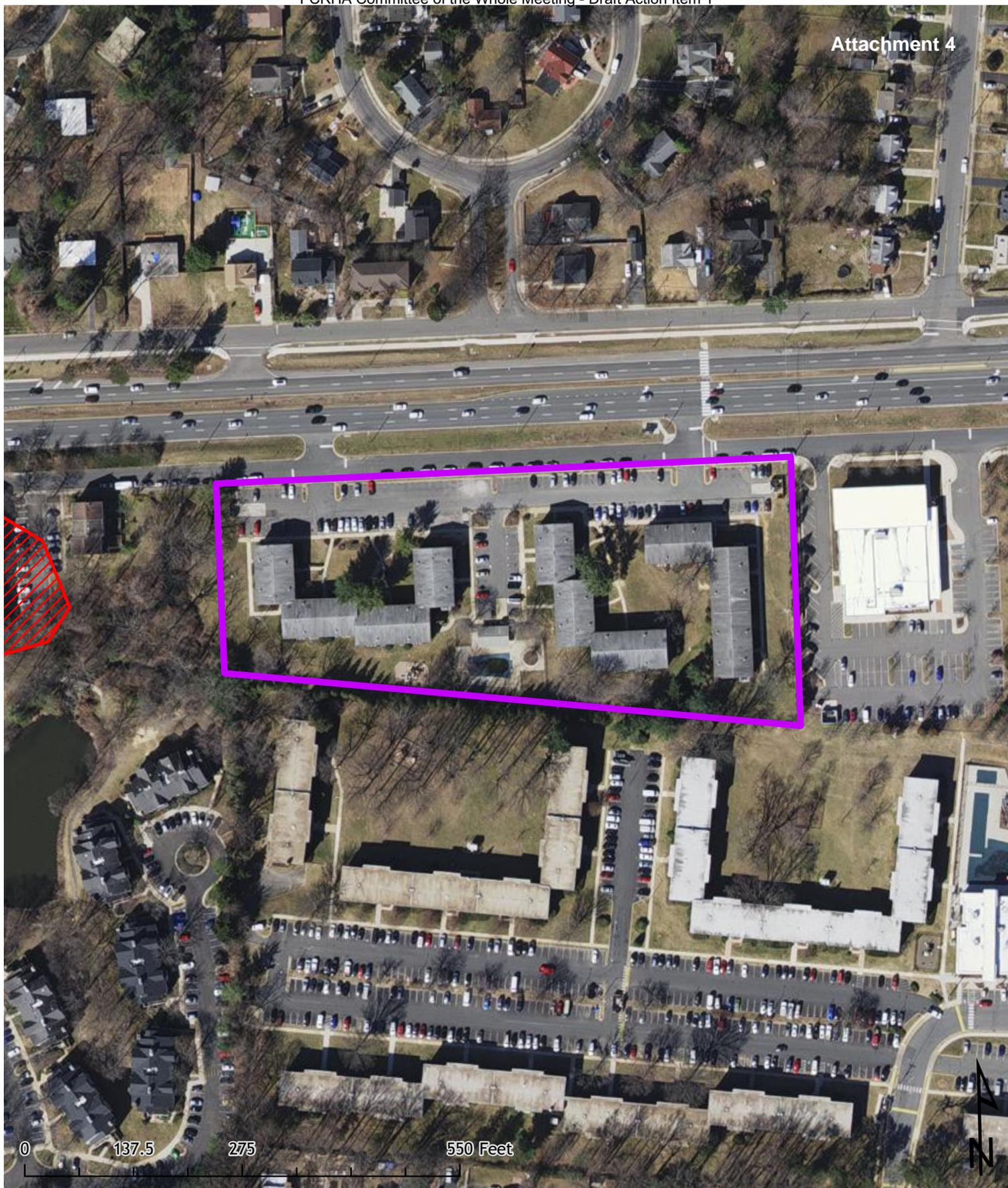
FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY

By: _____
Name:
Title:

BORROWER:

[Entity Name]

By: _____
Name:
Title:



Project: Coralain Gardens
 Location: 7417-7435 Arlington Boulevard, Falls Church, VA 22042
 Date: 2/16/2024
 Created by: Jason Kramer

-  Project Area
-  Architecture Resources
-  Individual Historic District Properties
-  Archaeological Resources

Sources: VDHR 2024, ESRI 2024
 Records of the Virginia Department of Historic Resources (DHR) have been gathered over many years and the representation depicted is based on the field observation date and may not reflect current ground conditions. The map is for general illustration purposes and is not intended for engineering, legal or other site-specific uses. The map may contain errors and is provided "as-is". Contact DHR for the most recent information as data is updated continually.



FCRHA Agenda Item
February 19, 2026

ACTION - X

RESOLUTION NUMBER XX-26: Authorization to Extend the Maturity Date of Loans between Morris Glen Limited Partnership and the Fairfax County Redevelopment and Housing Authority (Franconia District)

ISSUE:

Authorization is requested to extend the maturity date of certain promissory notes evidencing three loans between Morris Glen Limited Partnership (Partnership), as borrower, and the Fairfax County Redevelopment and Housing Authority (FCRHA), as lender, specifically a loan by the FCRHA dated January 13, 2012, as amended on March 9, 2017 and March 31, 2020, in the original principal amount of \$681,3815 with a maturity date of March 31, 2026; a HOME loan dated December 28, 1995, in the original principal amount of \$866,838 with a maturity date of January 1, 2026; and a Housing Trust Fund (HTF) loan dated December 28, 1995, in the original principal amount of 863,810 with a maturity date of January 1, 2026.

On January 1, 2026, the HOME and HTF loans reached the thirty-year term for each loan. The FCRHA as lender can extend or collect on each loan at maturity. The Partnership does not have sufficient cash flow or reserves to fund the loans at maturity and has previously extended the FCRHA loan prior to or after maturity to support the Partnership's going concern. It is requested that the FCRHA, as the lender of these loans and also as a managing general partner and limited partner of the Partnership, approve an extension of the maturity dates of each loan to March 31, 2029.

RECOMMENDATION:

It is recommended that the FCRHA authorize the extension of these loan maturity dates to March 31, 2029.

TIMING:

Immediate.

RELATION TO FCRHA STRATEGIC PLAN:

This action supports the FCRHA's overarching goal to preserve, expand, and facilitate affordable housing opportunities in the greater Fairfax Community. In addition, this action directly supports the FCRHA mission of providing affordable housing opportunities for low- and moderate-income households. Specifically, this allows for the sustained economic viability of 60-unit senior, independent living units within the FCRHA rental housing portfolio.

FCRHA Agenda Item
February 19, 2026

BACKGROUND:

Morris Glen is a 60-unit senior, independent living development located in the Alexandria area of the Franconia District. The FCRHA completed its construction in 1995, and the property was placed in service as a Low-Income Housing Tax Credit (“LIHTC”) development. The development serves elderly independent individuals with household income at or below 60 percent of area median income.

The Partnership was formed in 1995. The FCRHA serves as managing general partner and FCRHA Redevelopment and Housing Assistance Corporation (RHAC) serves as co-general partner with a 0.51% interest. On December 31, 2020, the FCRHA purchased the limited partner interest from SAH 99 Fund I, LLC, the LIHTC investor. The FCRHA became the new limited partner with 99.49% interest.

The following table provides the current debt position on the property as of February 1, 2026:

Morris Glen Debt Position as of February 1, 2026

Loan	Lien Position	Outstanding Balance (includes accrued interest)	Maturity
Fulton Bank	1 st Mortgage	\$7,077	April 1, 2026
FCRHA Partnership Loan	2 nd Mortgage	\$621,686	March 31, 2026
FCRHA HOME Loan	3 rd Mortgage	\$933,313	January 1, 2026
FCRHA Housing Trust Fund Loan	4 th Mortgage	\$1,025,017	January 1, 2026

- **Fulton Bank:** This is the first priority loan and has an eight and a half (8.5) percent interest rate, with a 30-year amortization, and a maturity of April 1, 2026. The final regular monthly payment will be paid on April 1, at which point this loan will be paid off. The property budget includes the monthly payments and funded through operational cash flow.
- **FCRHA Partnership Loan:** The FCRHA Partnership Loan, in the original amount of \$681,381, bears interest at the rate of one-month LIBOR plus 80 basis points per annum, capped at 5%. Effective Jun 30, 2023, LIBOR ceased, and HUD approved the Secured Overnight Financing Rate (SOFR) as the replacement, aligning with a HUD policy directive. If the SOFT rate exceeds 5.0%, the interest rate is capped at a maximum value of 5.0% specified in the loan agreement. The loan matured on February 1, 2017. On March 9, 2017, the FCRHA executed a modification to extend the loan's maturity to March 31, 2020, with monthly interest-only payments until maturity. Another modification on March 31, 2020, further extended the loan's maturity to March 31, 2026.

FCRHA Agenda Item
February 19, 2026

- FCRHA HOME Loan: This is the third priority loan and has a two (2) percent interest rate, and a 30-year term and amortization. The Partnership makes an annual payment of the prior year's interest every January 1, with the principal and any other balance due at maturity on January 1, 2026.
- FCRHA Housing Trust Fund Loan: This is the fourth priority loan and has a one (1) percent interest rate and a 30-year amortization. The loan matures on January 1, 2026. The principal and accrued interest on this loan is due at maturity. No monthly payment is required on this loan.

Staff recommend extending the maturity date under these three loans, as the property does not have adequate cash flow to pay off the loans. This approach also provides flexibility for the future refinancing of the property. The Partnership will continue to make the required recurring payments on these loans, and if at any time there is any additional cash flow, it will be made available to pay down the principal on the loans.

An amendment to the notes and loan documents will be executed between the Partnership and the FCRHA, which will extend the loans and notes maturity dates to March 31, 2029. It should be noted that the extension will not have an impact on the interest payments nor will it have any effect on the operations of the property.

STAFF IMPACT:

HCD Staff will work to coordinate the extension and amendment of the loan documents with the Office of the County Attorney. Further, HCD staff will work with the third-party management companies to ensure the appropriate accounting and financial reporting of the debts.

FISCAL IMPACT:

The extension of the loans will allow for the sustainability and funding of the operating commitments of the Morris Glen property. Further, this will allow time and review as to the property's financial status and consideration for future rehabilitation.

ENCLOSED DOCUMENTS:

Attachment 1: Resolution Number XX-26

STAFF:

Thomas Fleetwood, Director, Department of Housing and Community Development (HCD)

Amy Ginger, Deputy Director, Operations, HCD

Anna Shapiro, Deputy Director, Real Estate Finance and Development, HCD

Callahan Seltzer, Division Director, Real Estate and Community Development Finance, HCD

FCRHA Agenda Item
February 19, 2026

Erin Kozanecki, Director, Central Services Division, HCD
Margaret Johnson, Division Director, Rental Housing, HCD

ASSIGNED COUNSEL:

Ryan Wolf, Senior Assistant County Attorney

DRAFT

Attachment 1

RESOLUTION NUMBER XX-26

Authorization to Extend the Maturity Date of Loans between Morris Glen Limited Partnership and the Fairfax County Redevelopment and Housing Authority

BE IT RESOLVED that the Fairfax County Redevelopment and Housing Authority (FCRHA), as lender under three certain loans to Morris Glen Limited Partnership, and also as the managing general partner and limited partner of this limited partnership, hereby authorizes the extension of the maturity date to March 31, 2029, as described in the Action Item presented to the FCRHA on February 19, 2026; and

BE IT FURTHER RESOLVED that any Assistant Secretary is hereby authorized, on behalf of the FCRHA and the partnership, to execute and deliver any agreement or documents and to take such other steps as may be reasonably necessary in connection therewith.

DRAFT

FCRHA Agenda Item
February 19, 2026

ACTION - X

RESOLUTION NUMBER XX-26: Adoption of the Fairfax County Redevelopment and Housing Authority Fiscal Year 2027 Strategic Plan

ISSUE:

The Fairfax County Redevelopment and Housing Authority (FCRHA) must adopt its strategic plan, as it does annually, to coordinate with the Fairfax County Fiscal Year (FY) 2027 budget planning process. The FCRHA Strategic Plan for FY 2027, which covers July 1, 2026 through June 30, 2027, is proposed for adoption.

RECOMMENDATION:

It is recommended that the FCRHA approve the adoption of the FCRHA Strategic Plan for FY 2027 which contains information on planned projects to be undertaken during the fiscal year.

TIMING:

Immediate.

RELATION TO THE FCRHA STRATEGIC PLAN:

Upon adoption, Attachment 2 which is labeled as "Draft Fairfax County Redevelopment and Housing Authority FY 2027 Strategic Plan" will become the FCRHA Strategic Plan for FY 2027.

BACKGROUND:

The Department of Housing and Community Development (HCD) annually develops a strategic plan for the FCRHA. The Strategic Plan for FY 2027 (the Plan), as proposed, details the major FCRHA activities and projects, and anticipated outcomes during FY 2027 in four strategic areas: (1) affordable housing development, preservation, and finance; (2) affordable rental housing; (3) tenant subsidies and resident services; and (4) FCRHA program planning, development and management. The Plan includes estimates of the potential investments to address those major strategic areas during FY 2027. HCD senior staff participated in a variety of discussions to provide input in the development of the elements that are presented in the Strategic Plan for FY 2027.

STAFF IMPACT:

HCD staff is responsible for preparing the FCRHA Strategic Plan for FY 2027 and ensuring its coordination with the Communitywide Housing Strategic Plan, the FCRHA Moving to Work Plan, the Consolidated Plan, the Housing and Neighborhood Livability

FCRHA Agenda Item
February 19, 2026

Community Outcome Area of the Countywide Strategic Plan, the FCRHA's One Fairfax policy, and other policies and directives.

FISCAL IMPACT:

The total FY 2026 Consolidated Adopted Budget for the FCRHA was \$205.6 million. Staff anticipate the same or greater amount will be proposed for FY 2027 as part of the County's annual budget process for investment in the FCRHA programs and properties described in the draft FCRHA Strategic Plan for FY 2027. Any new projects or programs proposed during the fiscal year will be brought to the FCRHA for approval. The exact amount advertised for FY 2027 will be included in the information presented at the February 19, 2026, FCRHA Meeting.

ENCLOSED DOCUMENTS:

- Attachment 1: Resolution Number XX-26
- Attachment 2: Draft Fairfax County Redevelopment and Housing Authority FY 2027 Strategic Plan

STAFF:

- Thomas Fleetwood, Director, Department of Housing and Community Development (HCD)
- Amy Ginger, Deputy Director, Operations, HCD
- Linda Hoffman, Director, Policy and Communications (P&C), HCD
- Brandy Thompson, Associate Director of Policy, P&C, HCD

RESOLUTION NUMBER XX-26

Adoption of the Fairfax County Redevelopment and Housing Authority Fiscal Year 2027
Strategic Plan

WHEREAS, the FCRHA annually adopts a Strategic Plan outlining how the FCRHA and the Department of Housing and Community Development will meet annual goals; and

WHEREAS, the FCRHA desires to continue implementing a Strategic Plan that contains a detailed plan of projects to be undertaken during the fiscal year;

NOW THEREFORE BE IT RESOLVED that the FCRHA does hereby adopt the FCRHA Strategic Plan for FY 2027, as presented to the FCRHA at its meeting on February 19, 2026.

DRAFT



Fairfax County Redevelopment and Housing Authority



FY 2027 Strategic Plan

Adopted February XX, 2026



Fairfax County is committed to nondiscrimination on the basis of disability in all county programs, services and activities. Reasonable accommodations will be provided upon request. For information, call 703-246-5000 or TTY 711.

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Introduction

The following is the Fiscal Year (FY) 2027 Strategic Plan (the Plan) for the Fairfax County Redevelopment and Housing Authority (FCRHA), for the period of July 1, 2026 through June 30, 2027. The Plan is adopted annually by the FCRHA and done in coordination with the Fairfax County fiscal year budget planning process. The Plan serves as an annual guide for the work of the FCRHA throughout the fiscal year. As in previous years, the FCRHA will continue to lead the implementation of priorities identified under the [Communitywide Housing Strategic Plan](#), to include the goal to develop 10,000 new units of affordable housing by the year 2034 and to strive towards no net loss of affordable housing.

The Plan details the major FCRHA strategies and activities, as well as anticipated outcomes for FY 2027 in four strategic areas: (1) affordable housing development, preservation and finance; (2) affordable rental housing; (3) tenant subsidies and resident services; and (4) program planning, development, and management. These strategic areas were identified as those that support the mission and values of the FCRHA and that of the Fairfax County Department of Housing and Community Development (HCD), which serves as staff to the FCRHA.

Communitywide Housing Strategic Plan

The Fairfax County Board of Supervisors directed the Fairfax County Department of Housing and Community Development, with the assistance of the Affordable Housing Advisory Committee (AHAC), to produce a strategic plan to help address our community's growing housing needs. The outcome of this effort was the Fairfax County [Communitywide Housing Strategic Plan](#), which identifies goals to guide the collective efforts in affordable housing. Those goals provide an overarching guide for the work of the FCRHA and the Fairfax County Department of Housing and Community Development.

Affordable Housing Development, Preservation and Finance

In 2020, the Fairfax County Board of Supervisors established a goal for the production and no net loss of affordable housing at 5,000 and reset the goal to create at least 10,000 net new affordable units for households earning up to 60 percent of the area median income (AMI) in 2022. The FCRHA is working to achieve these production and preservation goals by:

- Creating development opportunities on FCRHA and county-owned land as well as encouraging acquisition partnerships on properties in high opportunity neighborhoods.
- Acquiring property and partnering with developers on redevelopment and preservation opportunities.
- Expanding the available regulatory tools that promote affordable housing development and preservation.
- Utilizing FCRHA's financial tools, including subordinate loan programs, tax-exempt bond financing, and grantmaking authority, to leverage third-party Low Income Housing Tax Credits (LIHTC) equity and other private debt and equity.
- Rehabilitating and expanding the FCRHA's rental affordable housing portfolio.

Development

Estimated Number of New Affordable Units to be Completed in FY 2027

Little River Glen IV

- Units: 60
- Populations Served: Older adults
- FCRHA Bonds: \$15 million
- Other FCRHA funding: \$9 million in Moving to Work loans
- Developer: FCRHA

Indigo at McLean Station

- Units: 456
- Populations Served: Multifamily
- Affordable Housing Development and Investment (AHD) funding: \$25.6 million
- Developer: Stratford Capital Group (SCG)
- FCRHA Committed Project-Based Vouchers: 8

Fairfax Crest

- Units: 279
- Populations Served: Multifamily
- AHD funding: \$14 million for north building; \$11 million for south building
- FCRHA Bonds: \$19 million for north building; \$14.5 million for south building
- Developer: Lincoln Avenue Communities
- FCRHA Committed Project-Based Vouchers: 14

Estimated Number of New Affordable Units Under Construction in FY 2027

Beacon Landing

- Units: 54
- Populations Served: Permanent Supportive Housing for individuals experiencing or at risk of homelessness

- FCRHA Loans: \$4.1 million
- HOME-ARP funding: \$2.68 million
- FCRHA Committed Project-Based Vouchers: 48

The Exchange at Spring Hill Station

- Units: 516
- Populations Served: Multifamily
- AHDI funding: \$22 million
- FCRHA Bonds: \$78 million
- Other local funding: \$13 million in Moving to Work loans
- Developer: True Ground Housing Partners
- FCRHA Committed Project-Based Vouchers: 100

Telestar

- Units: 80
- Populations Served: Multifamily
- Other funding: \$8 million in American Rescue Plan Act (ARPA)
- Developer: Conifer Realty LLC/Joseph Browne Development Associates
- FCRHA Committed Project-Based Vouchers: 27

Agape Chantilly House (Phase I and II)

- Units: 101 (Phase I) and 81 (Phase II)
- Populations Served: Older adults
- AHDI funding: \$9.4 million (Phase I); To be approved (Phase II)
- Developer: Wellington Development Partners
- FCRHA Committed Project-Based Vouchers: 8

Kindred Crossing

- Units: 95
- Populations Served: Older adults
- AHDI and Housing Trust Fund (HTF) funding: \$9.7 million
- FCRHA Bonds: \$15 million
- Developer: Wesley Housing
- FCRHA Committed Project Based Vouchers: 48

Franconia Governmental Center

- Units: 120
- Populations Served: Multifamily
- Financing: To Be Determined
- Developer: Stratford Capital Group (SCG)

James Lee Community Center Adjacent Site

- Units: 2
- Populations Served: Homeownership
- Developer: To Be Determined

Estimated Predevelopment Activities in FY 2027

- Dulles Greene Site (Dranesville District) – This public-private partnership is anticipated to provide approximately 435 affordable multifamily units serving low- to- moderate income households; situated on undeveloped property within walking distance of Metro’s Innovation Center Station.
- East County Redevelopment (Mason District) – This public-private partnership redevelopment of underutilized county land is anticipated to provide approximately 160 rental multifamily units for low- and moderate-income households.
- Crescent Redevelopment (Hunter Mill) - This redevelopment proposes the replacement of 188 FCRHA-owned units and the construction of up to an additional 560 units of mixed-income rental and ownership housing.
- Tysons Central (Providence District) – The FCRHA has acquired a 1.73-acre undeveloped parcel in Tysons in partnership with a developer to redevelop the site into up to 525 affordable multifamily units, across two buildings. The site is within walking distance of Metro’s Greensboro Station.
- Innovation Site (Dranesville District) - The FCRHA is under contract for a 1.928-acre undeveloped parcel south of Metro’s Innovation Center Station in Herndon, Virginia and is performing due diligence to redevelop the site into up to 535 affordable multifamily units.

HCD staff is conducting due diligence to understand redevelopment opportunities on additional FCRHA and county properties including Chantilly Library, Centreville Commuter Lot, Centreville Library and others.

Preservation of Affordable Units

Fairfax County adopted a goal of no net loss of affordable housing, with the preservation of committed affordable rental homes and affordable rents in communities with market affordable homes. To meet these goals, the FCRHA evaluates requests for acquisition financing, monitors multifamily properties listings to identify opportunities to preserve affordable units, and works to respond quickly to preservation opportunities that may arise. Fairfax County will also continue supporting the preservation of the County’s manufactured housing through various approaches.

Estimated Number of Preserved Affordable Units Under Construction in FY 2027

- Little River Glen I (Braddock District) – This project involves the rehabilitation of 120 existing senior units with the use of multiple financing sources.
- Stonegate Village (Hunter Mill District) – This project proposes the rehabilitation of 240 FCRHA-owned units.

Planned New Preservation Activities in FY 2027

- The FCRHA will continue to update the list of pre-qualified housing providers, as necessary.
- HCD will continue to conduct the biennial survey of existing market affordable multifamily rental units in buildings with four or more units, and pad rents in manufactured housing communities.
- In coordination with county agencies and the Board of Supervisors, the FCRHA will evaluate and identify opportunities for tax rebate or abatement as a potential new resource for preservation transactions in the County.
- HCD will continue to support the monthly Roundtable of resident owners, community owners, and advocates as recommended by the Manufactured Housing Preservation Task Force.

- HCD will review applications for proposed changes within manufactured housing communities governed by the Zoning Ordinance amendment approved by the Board of Supervisors in December 2025, as well as other proposals under amending the Comprehensive Plan policy.
- HCD will evaluate potential financial programs, to include the offering of loans to manufactured housing park owners for infrastructure or site improvements.

FCRHA Portfolio Capital Planning

- HCD staff will conduct due diligence to assess the long-term capital needs for the FCRHA-owned and operated portfolio of housing.
- Staff will perform Capital Needs Assessments (CNAs) for all FCRHA properties and compile a list of anticipated deferred maintenance and capital expenditures.
- The FCRHA anticipates the development of a long-term capital plan in FY 2027.

Real Estate Finance

- The FY 2027 Notice of Funding Availability (NOFA) will be released in the summer of 2026 and HCD staff will review and, as appropriate, underwrite projects requesting Housing Blueprint (AHD) Loans.
- Projects currently in underwriting constitute over 1,000 units of affordable housing.
- The FCRHA anticipates fully utilizing the available AHD and HTF funds throughout FY 2027.
- The FCRHA is reviewing multiple proposals from developers for Tax Exempt Private Activity Bonds (TEB) and anticipates closing TEB projects in FY 2027.
- The FCRHA anticipates closing on strategic acquisitions of land for future development of affordable and workforce housing.

In addition, the FCRHA will continue to monitor the market for potential additional acquisitions of property that could be utilized in pursuit of the County's goal of 10,000 net new affordable units, with a particular focus on properties with advantageous locations (e.g., proximity to transit), economics, or other attributes.

Inclusionary Housing Programs

The FCRHA facilitates the development of Affordable Dwelling Units (ADUs) and Workforce Dwelling Units (WDUs) that are affordable to families with a range of low and moderate incomes. The ADU Program, per the Zoning Ordinance, requires developers of new residential properties to set aside affordable housing units in return for a bonus density. Fairfax County's WDU Policy within the Comprehensive Plan is a proffer-based incentive system designed to encourage the voluntary development of new residential construction serving a range of moderate-income households in mixed-use and high-density areas, including the Tysons Urban Center, Suburban Centers, Community Business Centers, and Transit Station Areas.

The FCRHA takes an active advocacy and educational role in promoting ADUs and WDUs and works jointly in these efforts with the Fairfax County Planning Commission. The FCRHA also works with the Department of Planning and Development to facilitate the delivery of affordable and workforce housing units in all areas of the county as development proposals are submitted, per the Comprehensive Plan and negotiated proffers.

Estimated Outcomes for FY 2027:

- Estimated Number of Affordable and Workforce Dwelling Units (Rental and For-Sale) Expected to be Constructed in FY 2027: 80 For-Sale; 250 Rental
- HCD in coordination with the Department of Planning and Development will identify the administrative regulations in the Affordable Dwelling Unit Ordinance of the county's Zoning Ordinance in preparation for a Zoning Ordinance Amendment to remove these regulations from the Zoning Ordinance, in favor of creating a separate administrative document, similar to the structure of the WDU program and consider other zoning changes to support affordable housing initiatives and policy review.

Homeownership and Down Payment Assistance

The Homeownership program provides households with opportunities to purchase homes through private, for-sale developments at below-market prices. Units in the program are created through the Affordable Dwelling Unit requirements in the Zoning Ordinance; the Workforce Dwelling Unit Policy set forth in the Comprehensive Plan; and legacy programs, such as the Moderate-Income Direct Sales (MIDS). The program supports low- and moderate-income households with homeownership education and determines if households meet program underwriting criteria and other eligibility requirements. HCD approves resales and refinancing of homeownership units, monitors compliance with occupancy requirements, and ensures that the FCRHA receives the required equity share contribution to the Housing Trust Fund, as appropriate.

- Estimated Number of New Homebuyers Served Under the Homeownership Program in FY 2027: 90
- Estimated Number of Households Provided with Down Payment Assistance through Community Development Grant Block Funds in FY 2027: 85
- Estimated Number of Homeownership Program Units Sold in the Extended Control Period in FY 2027: 6
- Estimated Amount of Equity Share Earned by the FCRHA from Unit(s) Sold: \$1,048,000

Housing Choice Voucher Homeownership Program

This program allows households participating in the Housing Choice Voucher (HCV) Program to use their voucher to purchase a home and receive monthly assistance in meeting homeownership expenses. Twenty-five vouchers are allocated to the HCV Homeownership Program.

- Estimated Number of Families Participating in the HCV Homeownership Program in FY 2027: 20
- Estimated Number of New Families Participating in the HCV Homeownership Program in FY 2027: 4

Affordable Rental Housing

Fairfax County Rental Program

The Fairfax County Rental Program (FCRP) includes rental property owned by the FCRHA and developed with funds other than Rental Assistance Demonstration-Project Based Voucher (RAD-PBV) or Housing Choice Voucher (HCV) funds. FCRP generally serves working households with incomes that are slightly higher than those served in the RAD-PBV or HCV programs. Housing managed under the FCRP includes 2,004 units of multifamily housing, 112 beds of licensed assisted living, 505 units of senior independent housing, and 205 units of specialized housing, including a manufactured housing community with 115 rental pads. The FCRP serves a range of households with incomes up to 80% of AMI, depending on the program component and the property.

- Estimated Occupancy Rate of FCRP Properties in FY 2027: 98%
- Estimated Average Income Served in Multifamily Properties as a Percentage of AMI in FY 2027: 35% AMI for a household of three

Rental Assistance Demonstration Program

The Rental Assistance Demonstration (RAD) program allowed the FCRHA to convert all 1,060 Public Housing units to federal Section 8 project-based subsidies. All Public Housing units were converted to RAD in FY 2017 and FY 2018 and now operate under the Project Based Voucher (PBV) platform. Staff ensure that RAD-PBV residents are living in the most appropriately sized unit, with the goal of maximizing unit utilization and moving larger families off the waiting list.

- Estimated Occupancy Rate of RAD-PBV Properties in FY 2027: 95%
- Estimated Average Income Served as a Percentage of AMI in FY 2027: Approximately 14% AMI for a household of four

Asset Management

Staff and the FCRHA continue to focus on financial performance, overall condition, capital improvements and accountability of all properties managed by third-party management companies, using a private-sector model. HCD's Rental Housing Division continues to oversee all FCRHA properties.

Estimated Outcomes for FY 2027:

- The anticipated net operating income will be 3% greater than FY 2026 through expense efficiencies and incremental rent increases.

Modernization of FCRHA Properties

Through fiscally responsible processes, identified residential properties and group homes are rehabilitated to maintain their safety and quality. The rehabilitation of FCRHA properties is performed using capital reserves to ensure the high quality of FCRHA properties. Staff incorporate universal design in all new and rehabilitation projects to the greatest extent possible to increase the number of affordable accessible units.

Estimated Outcomes for FY 2027:

- Throughout FY 2027, the FCRHA will continue to follow each property's Capital Needs Analysis to ensure properties are maintained with scheduled capital replacements such as roof replacements, building exterior upgrades, appliance and interior upgrades to continue to preserve the assets for multifamily and senior residents.

Tenant Subsidies and Resident Services

Tenant and Project Based Subsidies

The HCV Program and Rental Assistance Demonstration-Project Based Voucher (RAD-PBV) Program are the FCRHA's major tenant subsidy programs. Participants receive financial assistance to rent privately-owned and FCRHA-owned housing units. 5,325 rental housing subsidy vouchers are allocated to the FCRHA through the Housing Choice Voucher program, including 1,060 RAD-PBV units.

- Estimated Number of Federally Subsidized Units Occupied in FY 2027: 5,059 (95%)
- Estimated Average Income of Households Served as a Percentage of AMI in FY 2027 (both HCV and RAD-PBV households): Approximately \$19,000 for average household size of three persons (less than 30% of AMI)

Subsidies for Specific Populations

The FCRHA administers tenant subsidies directed toward specific populations through the following programs:

- Veterans Affairs Supportive Housing Program (VASH): The U.S. Department of Veterans Affairs works closely with the FCRHA to support homeless veterans through rental assistance and case management. The FCRHA conducts income certifications; case management is provided by the U.S. Department of Veterans Affairs.
- Tenant Based Rental Assistance Program (TBRA): HCD uses federal HOME-funded vouchers to serve households experiencing homelessness and individuals with special needs.
- Family Unification Program (FUP): HCD uses special federal FUP vouchers for families that, due to inadequate housing, would 1) have the family's children placed in out-of-home care; or 2) have the discharge of children from out-of-home care delayed.
- Foster Youth to Independence (FYI): HCD uses federal FYI vouchers in partnership with Public Child Welfare Agencies to provide housing assistance to youth at least 18 years and not more than 24 years of age (have not reached their 25th birthday) who left foster care, or will leave foster care within 90 days, in accordance with a transition plan described in Section 475(5)(H) of the Social Security Act, and are homeless or are at risk of becoming homeless at age 16 or older.
- Mainstream/Non-Elderly Disabled (NED) Housing Choice Vouchers: When the opportunity arises, HCD applies for vouchers for non-elderly disabled persons, including persons at-risk of institutionalization due to their housing situation or those in institutions wishing to live in their community.
- Emergency Housing Vouchers (EHV): HUD awarded the FCRHA 169 vouchers as part of the American Rescue Plan Act of 2021 to assist individuals and families experiencing homelessness, as well as those at-risk of homelessness, fleeing, or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking, or were recently homeless or have a high risk of housing instability. Due to the notification from HUD that funding for EHV's will only last through calendar year 2026, the FCRHA plans to absorb these into HCV in the latter half of FY27.

- State Rental Assistance Program (SRAP): A partnership through VA Department of Behavioral Health and Disability Services. Participants with intellectual and other developmental disabilities receive financial assistance to rent privately-owned housing units and case management through the Fairfax-Falls Church Community Services Board (CSB).
- Permanent Supportive Housing (PSH) Program: A partnership through VA Department of Behavioral Health and Disability Services. Participants with serious mental illness receive financial assistance to rent privately-owned housing units and receive case management through the CSB and Pathway Homes.

Estimated Outcomes for FY 2027:

- Estimated Number of Households Served in FY 2027 under the VASH, TBRA, FUP, FYI Mainstream/NED, SRAP, and PSH programs: 971

Resident Services

HCD staff works cooperatively with other county and non-profit service providers to help families work toward self-sufficiency and housing instability through service coordination and information sharing.

Family Self-Sufficiency Program

HCD administers the Family Self-Sufficiency Program (FSS), which provides self-sufficiency case management to residents and assists them with building an escrow account to be used once they graduate. Once participants complete their goals, graduates can choose how they use their escrow accounts such as to help purchase a home or pay off student debt.

- Estimated Number of Participants Served under Family Self-Sufficiency Program in FY 2027: 125

Moving to Work

The FCRHA is designated as a Moving to Work (MTW) agency which allows the creation of policies and programs that help residents move toward self-sufficiency. MTW authority also helps to reduce the burden both on staff and residents related to administrative issues and provides flexibility in the use of federal funds. MTW funding is used to provide service referrals and case management services to households.

Program Planning, Development and Management

The FCRHA pursues a wide range of planning, management, and operational activities to ensure efficient and effective operations. These activities support the mission, values, and goal statements of the FCRHA.

In FY 2027, the FCRHA will continue to advance the effectiveness and usability of web content, increase social media presence, and strategically market and promote affordable housing in our communities. Likewise, the FCRHA will continue to identify opportunities to strengthen sound financial planning and management practices to ensure resources align with the organization's strategic initiatives as well as promote staff development through a range of professional training opportunities.

Affordable Housing Dashboard

The [Affordable Housing Dashboard](#) provides information about the county's progress toward affordable housing goals. In FY 2027, staff will continue to share highlights from the data dashboard during Fairfax County Board of Supervisors (BOS) Housing Committee meetings. In addition, the data dashboard will be maintained and sustained, ensuring data relevance and reliability for stakeholders.

**FY 2027 Department of Housing and Community Development/Fairfax County
Redevelopment and Housing Authority Advertised Budget**

***To be included after the release of
Fairfax County's FY 2027 Advertised Budget***

About the Fairfax County Redevelopment and Housing Authority

The Fairfax County Redevelopment and Housing Authority – Commissioners

Lenore Stanton, Chairman
Elisabeth Lardner, Vice Chair
Staci Alexander
Cynthia Bailey
Steven Bloom
Michael Cushing
Sarah Lennon
Nicholas McCoy
Joe Mondoro
Susan Vachal
Paul Zurawski

Our Mission

We serve the people of Fairfax County by creating housing opportunities to promote inclusive and thriving communities.

Our Vision

A community everyone can afford to call home.

The Fairfax County Department of Housing and Community Development – Executive Team

Thomas Fleetwood, Director
Amy Ginger, Deputy Director, Operations
Anna Shapiro, Deputy Director, Real Estate Finance and Development
Tom Barnett, Deputy Director, Office to Prevent and End Homelessness
Gentry Alexander
Betty Barnuevo
Mark Buenavista
Marta Cruz
Linda Hoffman
Margaret Johnson
Erin Kozanecki
Sean Read
Callahan Seltzer
Meghan Van Dam

FCRHA Agenda Item
February 19, 2026

ACTION – X

RESOLUTION NUMBER XX-26: Authorization, Subject to Board of Supervisors Approval, to Make Loans to Affiliates of Wellington Development Partners up to \$8,100,000 to Finance the Development of Agape Chantilly House Phase Two (Sully District)

ISSUE:

It is requested that the Fairfax County Redevelopment and Housing Authority (FCRHA) authorize subordinate financing of up to \$8,100,000, subject to approval by the Fairfax County Board of Supervisors (the BOS), to affiliates of Wellington Development Partners (WDP) for the development of 81 units of affordable senior housing in the Sully District.

RECOMMENDATION:

In January 2025, FCRHA authorized \$9,400,000 in subordinate loan funding for Agape Chantilly House Phase One. Agape Chantilly House Phase Two is the second phase of the development, both of which will serve low- and moderate-income seniors. FCRHA approval in an amount up to \$8,100,000, is necessary for the completion of Phase Two of the development (the Project), located at 3870 Centerview Drive in Chantilly.

TIMING:

Immediate. WDP anticipates using both 4 percent and 9 percent Low-Income Housing Tax Credits (LIHTCs) to develop the Project. A competitive 9 percent LIHTC application should demonstrate that it has secured local subordinate financing sources as a part of the application, which is due to Virginia Housing in March 2026. As such, a funding commitment from FCRHA and BOS is needed prior to this date so that WDP can have a complete, competitive application. Agape Chantilly House Phase One also plans on using 4 percent and 9 percent LIHTCs; their 9 percent LIHTC application, which included the FCRHA subordinate financing commitment approved in January 2025, was successful.

RELATION TO FCRHA STRATEGIC PLAN:

This action supports the FCRHA's overarching Strategic Plan goal to preserve, expand and facilitate affordable housing opportunities for senior households in Fairfax County.

BACKGROUND:

FCRHA Agenda Item
February 19, 2026

Developer:

WDP is a developer based in Washington, DC with expertise in affordable housing, residential development, and LIHTC programs. It was created as an offshoot of E&G Group, an affordable housing owner/operator established over 40 years ago serving the greater Washington, DC area. WDP was formed to satisfy the growing need for suburban affordable housing, particularly in Northern Virginia. The firm's principals are affordable housing professionals with significant experience in rental assistance programs, community engagement, government programs including Housing Choice Voucher programs, and financing senior housing.

Project Description:

WDP entered into a joint venture agreement with Agape Property Management LLC (APM), the owner of a 3.79-acre project site, to develop an affordable senior housing community. On March 19, 2024, the BOS approved a rezoning plan, which allowed for the development of an up to 228-unit affordable independent living facility, with an on-site adult day care. WDP intends to develop the facility in two phases, as permitted under the rezoning.

The loan that is the subject of this item is for Phase Two, which will include 81 units and 39 parking spaces. The FCRHA approved an up to \$9,400,000 loan for Phase One of this project on January 23, 2025. Phase One will have 101 units and will also serve low- and moderate-income seniors.

Site Control:

APM and WDP have entered into an Option to Lease ("Option"), under which WDP would lease the project site for a term of 99 years. The Option must be exercised within 24 months of the option effective date, October 22, 2024, or the Option will automatically terminate.

Requested Loan:

WDP applied for Fiscal Year (FY) 2026 Notice of Funding Availability (NOFA) funds to develop the Project. WDP plans on using both 4 percent and 9 percent LIHTC, and proposed two financing structures with loan amounts of \$5,747,646 for the 47 units that will be funded by 4 percent LIHTC, and a loan of \$2,092,907 for the 34 units to be funded by 9 percent LIHTC. The anticipated Project financing plan is further described in Attachment 2.

Expected Benefits:

- a) 81 new units of affordable housing in Sully District serving seniors up to 60 percent of Area Median Income (AMI).
- b) Centerville bus stop within 0.2 miles of the development.

FCRHA Agenda Item
February 19, 2026

- c) Property will include controlled access, elevators, a fitness center, package lockers, on-site property management, a community room, a courtyard/outdoor terrace, parking and electric vehicle charging stations.
- d) In-unit features include weather sheltered entries, extra floor space in kitchen/ bathroom to allow easy turning, kitchen task lighting, audio/visual doorbells, easy to use thermostats.
- e) Project expects to meet the National Green Building Standards, include ADA (Americans with Disabilities Act) compliant units, and will be designed to meet Virginia Housing Universal Design standards.

Requirements for funding:

The developer currently anticipates closing on the financing in the first quarter of 2027. Requirements for the closing include, but are not limited to, the following:

- 1. The developer must secure the 9 percent LIHTC award from Virginia Housing
- 2. Additional funding sources secured that meet:
 - a. The maximum Loan-to-Value ratio requirements
 - b. Required debt leveraging ratios for respective LIHTC portions
 - c. County per unit funding goal
- 3. Secure commitment of funds for the construction loan and permanent debt
- 4. Placement of tax credits with an investor
- 5. Final underwriting and loan amount determination by Department of Housing and Community Development (HCD) staff
- 6. Satisfactory collateralization of the loans
- 7. Receipt and approval of all third-party reports by HCD staff
- 8. Other factors as deemed necessary to protect the interest of the FCRHA and Fairfax County

RISKS AND CONCERNS:

- 1. **Interest rate risk on the first mortgage:** The interest rate will not be fixed until closing and is subject to market conditions. If interest rates rise, the developer must identify additional sources of funds or identify cost savings in the development budget.
- 2. **First mortgage commitment risk:** If first mortgage commitment(s) is (are) not received, the project closing could be delayed or may not move forward.
- 3. **Tax credit equity price:** The pricing of LIHTC equity is based on market conditions. The tax credit investor will determine the final tax credit pricing. Should equity prices fall below currently estimated levels, the developer would need to identify additional sources of funds or cost savings in the development budget.

FCRHA Agenda Item
February 19, 2026

4. **9 percent LIHTC Award:** WDP will be submitting their 9 percent LIHTC application in March 2026. Due to potentially high competition among the 9 percent LIHTC applicants, WDP may not be awarded the 9 percent LIHTC. Without the substantial tax credit equity, the project would have a large funding gap and would be required to restructure the financing and/or raise additional subordinate financing sources.
5. **Additional Subordinate Financing:** The developer anticipates applying for subordinate loans and grant sources that are considered competitive. If the developer does not secure these sources, the Project will need additional sources or may not move forward.
6. **WDP Financials:** WDP has reported net losses for the past three years, which were caused by significant development delays in infrastructure for two projects in Loudoun County. The issues are expected to be resolved soon, and the projects will enable WDP to collect an anticipated millions in fees starting in 2026. WDP has also recently entered into a financial partnership with another developer, who will help fund WDP's predevelopment and working capital needs. Staff will negotiate collateralization, security, and loan guarantees with WDP and its affiliates to protect the interests of the FCRHA.

STAFF IMPACT:

Department of Housing & Community Development (HCD) staff will continue to spend a considerable amount of time underwriting, structuring, and negotiating the transaction with the developer, in coordination with the Office of the County Attorney and other County departments.

Additionally, after construction completion, HCD staff will monitor compliance of the Project with the loan documents and affordability requirements.

FISCAL IMPACT:

The total FCRHA loan amount, of no more than \$8,100,000, is anticipated to come from one or both of the following sources:

- Fund 30300: Affordable Housing Development and Investment Fund
- Fund 40300: Housing Trust Fund

The interest rate on the FCRHA loans will be 3 percent simple interest per annum. Interest will start to accrue on funds as they are disbursed.

For each respective 4 percent and 9 percent LIHTC applications in NOFA funding, the FCRHA will receive an ongoing loan monitoring fee. Underwriting staff will negotiate the annual monitoring fee to be maximally advantageous to the FCRHA, but in any event the fee will be no less than \$7,500.

FCRHA Agenda Item
February 19, 2026

ENCLOSED DOCUMENTS:

Attachment 1 – Resolution Number XX-26

Attachment 2 – Appraised Value, Proposed Unit Mix, Rent Structure and Financing Plan

Attachment 3 – Fiscal Year 2026 Notice of Funding Availability Loan Term Sheet

Attachment 4 – Project Location Map

STAFF:

Thomas Fleetwood, Director, Department of Housing and Community Development (HCD)

Anna Shapiro, Deputy Director, Real Estate Finance and Development, HCD

Callahan Seltzer, Division Director, Real Estate and Community Development Finance (RECDF), HCD

Mark Buenavista, Division Director, Capital Planning and Development (CPD), HCD

Rachel Waldman, Associate Director, RECDF, HCD

Jeremy Welsh-Loveman, Real Estate Finance Project Manager, RECDF, HCD

ASSIGNED COUNSEL:

Susan Timoner, Assistant County Attorney

RESOLUTION NUMBER XX-26

Authorization, Subject to Board of Supervisors Approval, to Make Loans to Affiliates of Wellington Development Partners of up to \$8,100,000 to Finance the Development of Agape Chantilly House Phase Two (Sully District)

WHEREAS, Wellington Development Partners (WDP) submitted a request for financing under the Fiscal Year 2026 Notice of Funding Availability for the development of 81 units at Agape Chantilly House Phase Two located at 3870 Centerview Drive, Chantilly (the Project); and

WHEREAS, at its February 19, 2026 meeting, the Fairfax County Redevelopment and Housing Authority (FCRHA) considered WDP's request for up to \$8,100,000 in subordinate financing for the Project; and

NOW, THEREFORE, BE IT RESOLVED that the FCRHA authorizes:

- 1) Providing financing to WDP for the development of the Project in the amount of up to \$8,100,000, as described in the Action Item presented to the FCRHA on February 19, 2026; and
- 2) Adjustment of the total Project loan amount between the four percent and nine percent LIHTC financing structures, as needed, as long as the total FCRHA subordinate debt does not exceed \$8,100,000.

BE IT FURTHER RESOLVED that the FCRHA authorizes any Assistant Secretary to negotiate and finalize loan terms and associated documents on behalf of the FCRHA in substantial conformance with the Action Item presented to the FCRHA on February 19, 2026, and authorizes its Chair, Vice Chair or any Assistant Secretary to execute all documents, agreements, and instruments reasonably necessary or appropriate in connection with issuing the FCRHA loan(s) for the Project.

Attachment 2**Appraised Value, Proposed Unit Mix, Rent Structure and Financing Plan****Appraised Value:**

An independent appraisal company, Allen & Associate Consulting, Inc., confirmed that the total appraised value of Phase Two of the Agape Chantilly House Project fully collateralizes the sum of the anticipated senior debt and FCRHA subordinate loan. According to the appraisal dated November 9, 2025, the appraised value for Phase Two is \$20,635,000. The final loans will be structured to fully collateralize the total requested loans.

The Department of Tax Administration (DTA) has reviewed the appraisal and determined that the valuation methodology and value conclusions were appropriate and reasonable.

Proposed Unit Mix:

	Room Type	30% AMI	50% AMI	60% AMI	Units
4% LIHTC	1-bed	4	0	37	41
	2-beds	0	0	6	6
9% LIHTC	1- bed	3	12	11	26
	2-beds	1	2	5	8
Total		8	14	59	81

The proposed unit mix is subject to change depending on what other sources are available to fund the 30% AMI units.

Rent Structure:

The project will use one rent-rate structure: LIHTC rents set by Virginia Housing for all units. It is possible that the project may utilize rental vouchers in the future, at the sole discretion of FCRHA. If the rental vouchers are used, the gross rent received by the landlord, and the portion due from the tenant, will be regulated by the voucher provider.

Current Estimated Financing Plan:

Wellington Development Partners is proposing to finance the Project using both 4 percent and 9 percent LIHTC along with a variety of sources, including, but not limited to, a mortgage financed by Virginia Housing, Virginia REACH PLUS & REACH subordinate loans, second position subordinate financing through the FCRHA (FCRHA loans), and Affordable and Special Needs Housing (ASNH) funds from the Virginia Department of Housing and Community Development (DHCD). The total amount of FCRHA subordinate financing will not exceed \$8,100,000. The sources of funds and allocation between sources may be revised before closing to reach an optimal financing structure. The proposed sources of funding for the Project, along with the uses of such funds in delivering the Project, are listed below:

Estimated Sources and Uses as of January 2026:

Sources	4 Percent LIHTC	9 Percent LIHTC	Combined
Tax Credit Equity	\$ 5,712,407	\$ 7,979,202	\$ 13,691,609
VH First Mortgage	\$ 1,451,796	\$ 530,350	\$ 1,982,146
Virginia REACH PLUS	\$ 3,000,000	\$ 2,400,000	\$ 5,400,000
Virginia REACH	\$ 2,138,500	\$ 1,530,000	\$ 3,668,500
FCRHA Subordinate Loan(s)	\$ 5,747,646	\$ 2,092,907	\$ 7,840,553
Virginia DHCD: VHTF	\$ 0	\$ 2,000,000	\$ 2,000,000
Deferred Developer Fee	\$ 673,001	\$ 746,904	\$ 1,419,904
Total Sources	\$18,723,349	\$17,279,363	\$ 36,002,712

Uses	4 Percent LIHTC	9 Percent LIHTC	Combined
Acquisition	0	\$ 1,101,600	\$ 1,101,600
Hard Construction Cost	\$ 12,332,182	\$ 10,505,192	\$ 22,837,374
Construction Contingency	\$ 812,724	\$ 692,321	\$ 1,505,045
Architecture & Engineering	\$ 505,545	\$ 430,649	\$ 936,194
Soft Costs	\$ 1,238,134	\$ 1,054,707	\$ 2,292,841
Financing/ Interests	\$ 1,608,552	\$ 1,768,894	\$ 3,377,446
Reserves	\$ 416,212	\$ 46,000	\$ 462,212
Developer Fee	\$ 1,810,000	\$ 1,680,000	\$ 3,490,000
Total Uses	\$18,723,349	\$17,279,363	\$ 36,002,712

The FCRHA staff will continue to underwrite the Project as other sources are committed, including LIHTC equity and additional sources sought by the developer. The Loan Underwriting Committee (LUC) recommended approval of up to \$8,100,000 for this Project, but the final loan amount remains subject to final underwriting, including evaluation of the Loan to Value, County loan per unit, and leveraging ratios constraints as set forth in the 2026 NOFA.

Attachment 3

Agape Chantilly House Phase Two

FY2026 Notice of Funding Availability Loan Term Sheet

Borrowers:	AHC2 4% Owner LLC and AHC2 9% Owner LLC
Developer:	To be formed single purpose entity controlled by Wellington Development Partners and Agape Property Management
Project Address:	3870 Centerview Drive, Chantilly, VA 20151
Loan Amounts:	Up to \$8,100,000, which will be divided into two loans, one for each of the 4 percent and 9 percent LIHTC entities. The funding of these two loans may include allocations from the Affordable Housing Development and Investment Fund (AHD), Housing Trust Fund (HTF), and/or other sources, at FCRHA's discretion. If the FCRHA uses multiple funding sources, each source will comprise a separate loan. The terms will apply to each loan.
Interest Rate:	Each loan will incur 3 percent simple interest per annum. Interest will start to accrue on funds as they are disbursed.
Repayment:	Loan will be repaid from annual net cash flow (NCF). NCF includes cash flow remaining after payment of must-pay debt service, operating expenses, operating reserves, deferred developer fee, and such other expenses as the FCRHA may approve. Payments made will be applied first to accrued interest, and then to principal. All outstanding principal and accrued but unpaid interest will be due on the maturity date.
Loan Term:	Loan term will be the longer of (i) term of first-position permanent loan or (ii) 30 years following conversion of first-position loan to permanent financing.
Security:	FCRHA Loans will be subordinate to the first trust mortgage and may be lower in priority lien position, if acceptable to the FCRHA in its sole discretion. If the project is funded with Blueprint and/or other FCRHA funds, then the Blueprint loan will be in second position, followed by other FCRHA loans in third position, fourth position, etc.)

- Affordability:** Borrowers will rent units to households at or below 60% of Area Median Income (AMI) and must comply with all applicable affordability requirements, including LIHTC requirements during the LIHTC compliance period. FCRHA loan affordability restrictions will be recorded in the land records for the property and will run with the land for the term of the loans(s).
- Option & ROFR:** Borrower will provide FCRHA with an option to purchase the property and a right of first refusal (ROFR) for the property. Each of the FCRHA's option and ROFR rights will be subordinate to senior debt financing and will not apply to offers where the purchaser is related to the Developer.
- Developer Fee:** Borrowers may pay a developer fee to Developer, the total and deferred amounts of which are subject to the approval of the FCRHA. Borrowers may recoup its deferred developer fee in full before making payments on the FCRHA loan(s), subject to terms to be finalized between FCRHA and Borrowers.
- Borrowers will make no other payments to Developer (or affiliates of Developer) without the prior consent of the FCRHA.
- Monitoring Fees:** The FCRHA will receive an annual monitoring fee of no less than \$7,500 per loan, escalating at 3 percent annually, for monitoring project compliance with loan and other affordability requirements. Underwriting staff will negotiate the monitoring fee to be maximally advantageous to the FCRHA, but in any event the fee will be no less than \$7,500. The monitoring fees may be cash flow dependent but must be paid prior to any other cash flow dependent payment.
- Reserves:** At funding, Borrowers will establish a repair and replacement reserve. The amount of the reserve must be approved by the FCRHA.
- Transfers:** Borrowers may not transfer the property, in whole or in part, by operation of law or otherwise, without the prior approval of the FCRHA, not to be unreasonably withheld, and subject to the FCRHA's rights under the ROFR. Borrowers may, however, transfer the property to an affiliate under common control, as further described in the loan documents to be negotiated for the project, provided that Borrowers must notify the FCRHA in advance and that the transferee assumes the loan(s).
- Senior Loan:** The first position loan must have a fixed interest rate, provided that the FCRHA may approve a variable rate senior construction loan in its sole discretion. The permanent first position loan must amortize.

First position lender must enter into intercreditor or subordination agreement with FCRHA on terms reasonably acceptable to the FCRHA including, without limitation, the right to cure defaults, to acquire the senior debt, and to acquire ownership of the property.

Other Loans: Borrower may not subject the property to any deed of trust or other lien, whether senior or subordinate to the FCRHA loan(s), and whether secured or unsecured, without the prior approval of the FCRHA, except as specifically permitted in the loan documents.

Refinancing: Borrower may not refinance senior debt on the Project without FCRHA's consent. FCRHA loans will become due upon any refinancing of the senior permanent loan. The FCRHA, in its sole discretion, may agree to resubordinate one or more of the FCRHA loans upon such refinancing.

Termination: If the Borrower does not obtain an award of 9% LIHTC in 2026, the FCRHA reserves the right to terminate the loan commitment.

Closing: Borrower will execute FCRHA loan documents concurrently with Borrower's construction loan closing (Closing). Unless waived by the FCRHA in its sole discretion, the following conditions must be met before Closing:

- Fully executed construction loan documents and construction contract.
- Fully executed partnership/operating agreement of Borrower, with admission of investor.
- Fully executed loan commitment for permanent loan, and all necessary approvals for any other permanent and ongoing funding sources.
- A satisfactory appraisal, dated no earlier than 6 months before Closing, showing a property value that exceeds the aggregate debt on the property.
- ALTA survey and Lender's title insurance policy for the benefit of the FCRHA, from a title company acceptable to the FCRHA.
- Zoning letter from the Fairfax County Department of Planning and Development, site plan, building permits, etc.
- Borrower organizational documents (including good standing certificate and authorizing resolutions).
- Legal opinion of Borrower's counsel.

- Final underwriting acceptable to the FCRHA, including sources and uses, development budget, annual operating expenses, 30-year cash flow analysis, and a development schedule.
- Such other documents and information as the FCRHA may reasonably require.

Funding:

FCRHA loan funds shall be disbursed at construction completion or earlier as may be permitted under the loan documents. Conditions precedent to funding the FCRHA loan(s) shall be detailed in the loan documents, and shall include the following:

- Certificate of substantial completion from project architect or other certification, as appropriate.
- Payment and performance bond specifying the FCRHA as a named insured.
- No outstanding defaults under any loan, construction, or other project-related agreement.
- Final construction lien releases, all occupancy permits, and a set of as-built drawings for the project.
- Such other items and information as the FCRHA may reasonably require.

The FCRHA may permit full or partial exceptions to any provision in this term sheet in its sole discretion. In the event of any conflict between this term sheet and any fully executed FCRHA loan document, the terms of the FCRHA loan document will control. No third party may rely on the contents of this term sheet.

[Signatures on the following pages]

FCRHA:

FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY

By: _____
Name:
Title:

BORROWER(S):

AHC2 4% Owner LLC

By: _____
Name:
Title:

AHC2 9% Owner LLC

By: _____
Name:
Title:

FCRHA Agenda Item
February 19, 2026

ACTION – X

RESOLUTION NUMBER XX-26: FCRHA Authorization to Administer Loans of up to \$50,000 to First-time Homebuyers Using Virginia Housing REACH Funds

ISSUE:

It is requested that the Fairfax County Redevelopment and Housing Authority (FCRHA) approve the creation of a loan program for eligible first-time homebuyers with incomes up to 80% of the Area Media Income (AMI).

RECOMMENDATION:

The FCRHA approved a Memorandum of Understanding (MOU) with Virginia Housing on June 12, 2025. To effectuate the new loan program described in the MOU, it is recommended that the FCRHA approve and authorize HCD to administer subordinate financing of up to \$50,000 to eligible first-time homebuyer households.

TIMING:

Action is recommended at the February 19, 2026, meeting of the FCRHA to authorize the creation of the new loan program.

RELATION TO FCRHA STRATEGIC PLAN:

This action expands the Homeownership activities of the Affordable Housing Development, Preservation and Finance strategic area of the FCRHA Strategic Plan and supports the FCRHA goal of generating and increasing opportunities for homeownership as one means to self-sufficiency, asset growth, and neighborhood stability. This action also directly supports the FCRHA mission of providing affordable housing opportunities for low- and moderate-income households.

BACKGROUND:

On June 12, 2025, the FCRHA approved a resolution to enter into a Memorandum of Understanding (MOU) (Attachment 2) with Virginia Housing to receive up to \$7.5 million in Virginia Housing REACH funds to support access to affordable homeownership for low- and moderate-income households in Fairfax County. Included in the allowable uses of the funds, as detailed in the MOU, is the use of funds to provide financial resources to first-time homebuyers, including down payment and closing costs assistance, and to provide subsidies toward affordability such as purchase price and/or interest rate buy downs.

In Section 1.2.2 of the MOU, Goals of the Partnership, the target household income level is set at or below 80% AMI. If it is determined that an increase to this target income level

FCRHA Agenda Item
February 19, 2026

is needed, Staff will work with Virginia Housing to amend the MOU.

Program to be approved: Approval is requested to provide loans of up to \$50,000 to qualified first-time homebuyer households as described in this item. If approved, eligible homebuyers may use these loans to:

- Reduce the first mortgage principal amount;
- Pay reasonable closing costs;
- Pay points to reduce the mortgage interest rate; and/or
- Buy out mortgage insurance (PMI).

Qualified households must be first-time homebuyers purchasing a home in Fairfax County and may not exceed a household income of 80% AMI, or such higher AMI as agreed to with Virginia Housing. Households must also meet other program requirements as determined by HCD staff, including completing homebuyer education courses, meeting maximum loan-to-value and debt-to-income limits, and meeting minimum credit score requirements.

Loans will be in the form of a subordinated deed of trust and will be required to be repaid upon repayment events including sale of the property, other transfer of ownership, and no longer occupying the property as the primary residence. Repayments will include the principal loan amount plus a percentage of the net equity equal to the percentage of the FCRHA loan to the original sales price. Repaid funds will be returned to the FCRHA.

STAFF IMPACT:

HCD staff will administer the loan program, monitor for compliance, and complete payoff requests.

FISCAL IMPACT:

Funding up to \$7.5 million from the Virginia Housing REACH grant is available in the FCRHA Housing Grant Fund.

ENCLOSED DOCUMENTS:

Attachment 1: Resolution Number XX-26

Attachment 2: Memorandum of Understanding Between the Fairfax County
Redevelopment and Housing Authority and Virginia Housing (Executed
June 19, 2025)

STAFF:

Thomas Fleetwood, Director, Department of Housing and Community Development
(HCD)

Anna Shapiro, Deputy Director, Real Estate Finance and Development, HCD

Callahan Seltzer, Division Director, Real Estate and Community Development Finance,

FCRHA Agenda Item
February 19, 2026

HCD
Gentry Alexander, Division Director, Homeownership, HCD

ASSIGNED COUNSEL:

Ryan Wolf, Senior Assistant County Attorney
Susan Timoner, Assistant County Attorney

DRAFT

RESOLUTION NUMBER XX-26

FCRHA Authorization to Administer Loans of up to \$50,000 to First-time Homebuyers
Using Virginia Housing REACH Funds

BE IT RESOLVED THAT the Fairfax County Redevelopment and Housing Authority (FCRHA) approves the creation and administration of a loan program to administer subordinate financing of up to \$50,000 to eligible Fairfax County first-time homebuyers, as outlined in the Action Item presented to the FCRHA at its meeting on February 19, 2026; and

BE IT FURTHER RESOLVED THAT any Assistant Secretary may take such additional steps as reasonably necessary to implement this program.

DRAFT

**Memorandum of Understanding
Between the
Fairfax County Redevelopment and Housing Authority
and
Virginia Housing**

June 19, 2025

1.0 INTRODUCTION AND PURPOSE

This Memorandum of Understanding (“MOU”) is made between the Fairfax County Redevelopment and Housing Authority (“FCRHA”) and Virginia Housing.

1.1 The parties intend by this MOU to facilitate the use of the approximately \$7.5 million in “Years 3-5” Amazon REACH funds (“the Funds”) previously allocated to the FCRHA for the purpose of supporting affordable homeownership for low- and moderate-income households in Fairfax County. The parties further intend that this MOU will govern in the event of a conflict with the REACH Virginia Award Notification letter dated December 14, 2021.

1.2 Goals of the Partnership

- 1.2.1 To foster the creation of affordable homeownership opportunities for low- and moderate-income households in Fairfax County, via a variety of means, including down payment and closing costs assistance, the development of purpose-built affordable homeownership units, and other activities in support of Fairfax County/FCRHA homeownership efforts.
- 1.2.2 To serve households with incomes up to 80% of the Area Median Income (AMI), with the majority likely serving households with income in the 50%-80% AMI range.
- 1.2.3 Support at least 50 low- and moderate-income households to achieve homeownership in Fairfax County using these funds.
- 1.2.4 To provide clear guidance to staff as far as procedures and processes to be followed.
- 1.2.5 Keep each other apprised of policies and procedures to ensure both agencies have information needed to support decision making processes and determinations.
- 1.2.6 Foster regular and effective communication between the agencies to further the goals of the partnership, and to identify opportunities to enhance the partnership.

2.0 ROLES AND RESPONSIBILITIES OF THE PARTIES

The Parties intend to undertake the following activities pursuant to the MOU:

2.1 Virginia Housing Roles and Responsibilities

- a. Providing timely technical guidance to help ensure that the FCRHA complies with Virginia Housing expectations for the use of the Funds as set forth in Section 3, below.
- b. Coordination with the FCRHA for any public communications about the use of the Funds.
- c. Timely payment of draw requests for activities funded under this MOU. With the consent of Virginia Housing, draw requests may be made on a non-reimbursement basis.

2.2 FCRHA Roles and Responsibilities

- a. Timely expenditure of the Funds, as specified below.
- b. Providing quarterly reports on fund utilization and project progress, as applicable.
- c. Transparent reporting on the utilization of the Funds, consistent with Paragraph 3 below.
- d. FCRHA agrees to report the number of households assisted in achieving homeownership.

3.0 ALLOWABLE USES OF THE FUNDS

The following paragraphs set forth the allowable uses of the Funds under this MOU:

3.1 Development of vacant Fairfax County/FCRHA land for affordable homeownership. There are a number of publicly owned sites across Fairfax County that show great potential for this type of development. The FCRHA may solicit developers of affordable for-sale homes through the appropriate procurement process. The FCRHA would convey the land to selected developers in order to build the homeownership units and then market and sell them to qualifying homeowners with low- to moderate-income.

3.2 Financial Resources for Manufactured Housing Community Residents and Other First-Time Homebuyers with Low- to Moderate-Income. For the purpose of eligibility for the Funds governed under this agreement, "First-Time Homebuyer" shall mean not having owned real residential property in the last three (3) years, with exceptions as may be allowed under Fairfax County's First Time Homebuyer Programs. Manufactured Housing Community residents will enjoy the presumption of qualification as a First-Time Homebuyer under this agreement. The Funds are intended to provide financial resources that support financial asset building through traditional homeownership that sets a foundation for financial stability. Specifically, such financial assistance may be provided in the following forms:

- 3.2.1 Compensation/repurchase program for owners of obsolete, unsafe or otherwise unmarketable manufactured homes to provide assistance to move from the manufactured home into the new homeownership opportunity and support demolition, removal or other actions needed to address the functionally obsolete unit and installation of the replacement unit;

- 3.2.2 Subsidies to increase the affordability of first-time homebuyer opportunities throughout the County, either through buying down the purchase price and/or buying down the interest rate (for any qualifying First-Time Homebuyer);
- 3.2.3 Supplementing the Department of Housing and Community Development (“HCD”)’s existing down payment and closing cost assistance programs (for any qualifying First-Time Homebuyer); and
- 3.2.4 Providing homebuyer and homeowner education, outreach, and housing counseling, in partnership with one or more U.S. Department of Housing and Urban Development-approved housing counseling agencies.

3.3 Purchase of Manufactured Housing Communities. The Funds may be utilized in whole or in part to assist the residents of Manufactured Housing Communities in purchasing their communities and preserving them as affordable. Such assistance would be provided in the form of a loan from the FCRHA to such development partner as may be selected by the residents, consistent with the Virginia Manufactured Home Lot Rental Act.

3.4 Purchase and Resell Units for Sale-Price Resets. Fairfax County recently created a task force with consultant support to review its For-Sale Workforce Dwelling Units (“WDU”) program to address certain marketable and affordability challenges. The analysis conducted identified marketability challenges with 120% AMI units, and opportunities for improved pricing models for initial WDU sales prices and resale pricing policies. In order to maintain the affordability of units sold under the previous pricing model, particularly for homeowners unable to identify a new qualified buyer for whom their unit is affordable, Funds may be used to purchase and resell WDUs to ensure affordable pricing and to allow lower income households to access homeownership by resetting 120% AMI WDUs to lower income levels. Additionally, for any existing homeownership units where the FCRHA chooses to exercise an option to purchase, the Agency could resell to new qualified homebuyers.

4.0 AGREEMENTS

In order to foster the successful completion of this MOU, the parties agree to the following terms and conditions:

- a. Regular Communications: The parties mutually agree to meet, through the primary contacts identified in Section 5.0 of this MOU, on a regular basis to plan the work of and review the progress by this partnership.
- b. Duration of Agreement and Expenditure of Funds: This agreement shall be in effect until, and the Funds must be expended in their entirety by, June 20, 2026. Any of the Funds not expended by this date are subject to recapture by Virginia Housing. If the Funds will not be expended by June 20, 2026, the FCRHA may request an extension in writing on or before May 20, 2026. Such request shall be subject to the written approval of Virginia Housing.
- c. Modifications to the Agreement: By mutual agreement the parties may modify this agreement and its attachment by a written addendum signed by both Parties and their designees.

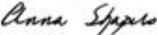
- d. Termination: Virginia Housing may terminate this MOU with 60 days written notice. In the event of termination, any unspent funds shall be returned to Virginia Housing within 30 days of the date of termination.

5.0 PRIMARY CONTACTS

The Parties intend that the work under this MOU shall be carried out in the most efficient manner possible. To that end, the Parties intend to designate individuals that will serve as primary contacts between the Parties. The Parties intend that, to the maximum extent possible and unless otherwise approved by the other Party, all significant communications between the Parties shall be made through the primary contacts. The designated primary contacts for the Parties are listed in Attachment A of this MOU.

The Parties, on this 19 day of June, 2025, hereby agree to the foregoing MOU, which shall be effective immediately upon full execution by the signatories listed on this page.

For the Fairfax County Redevelopment and Housing Authority:

DocuSigned by:

 036D77ED9F56443
 Anna Shapiro, Assistant Secretary 6/19/2025

DATE

For Virginia Housing:


 Michael Urban, Managing Director of Homeownership 6/20/2025

DATE

List of Designated Primary Contacts

Anna Shapiro, Deputy Director
Fairfax County Department of Housing and Community Development
3700 Pender Drive, Suite 300
Fairfax, VA 22030
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