

Outcomes Report on the Fairfax County Redevelopment and Housing Authority

Fiscal Year 2023 Strategic Plan



December 2023



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Introduction

This report provides an overview of the outcomes and accomplishments of the Fairfax County Redevelopment and Housing Authority (FCRHA) in Fiscal Year (FY) 2023. The report is organized by five areas:

- Affordable Housing Development, Preservation and Sustainability
- Affordable Rental Housing, Property Management and Maintenance
- Tenant Subsidies and Resident Services
- Homeownership and Relocation Services
- Program Planning, Development and Management

Outcomes listed in this report are in response to goals established in the FCRHA's Strategic Plan, adopted on February 24, 2022 and covering the period of July 1, 2022 through June 30, 2023. As noted in the report, some areas are ongoing strategic priorities of the FCRHA and therefore do not have specific outcome measurements for FY 2023.

The FCRHA Strategic Plan for FY 2023 can be found at: [FY 2023 FCRHA Strategic Plan \(fairfaxcounty.gov\)](#)

FCRHA Outcomes for FY 2023

Affordable Housing Development, Preservation and Sustainability

Affordable Housing Production

In 2019, Fairfax County adopted the goal to produce a minimum of 5,000 new units of housing by the year 2034 that are affordable to households earning 60 percent of the Area Median Income and below. The goal was subsequently increased to 10,000 new units of housing in 2022. This is intended to be supplemented with additional financing mechanisms and tools to produce affordable homes above this level. To promote the production of affordable housing, the Housing Blueprint Fund is the gateway to FCRHA funds for developers of affordable housing. The FCRHA also uses a variety of other tools, such as tax-exempt bond financing, to leverage third-party funding sources including Low-Income Housing Tax Credits (LIHTC). Finally, as an owner and operator of over 3,000 units, the FCRHA also directs the rehabilitation and expansion of its existing affordable housing portfolio.

Outcomes for FY 2023:

- Number of New Units Produced that are Affordable to Households at 60% AMI or Below in FY 2023:
Construction was underway in FY 2023 on 1,219 units for the following projects, which received approval for Housing Blueprint funds and tax-exempt bond issuances in prior years:
 - Oakwood Apartments (Franconia District) – 150 senior units - \$5.3 million Housing Blueprint Loan (HBL); \$12.6 million FCRHA bonds. Substantial completion for the construction of the project was achieved in June 2023.
 - One University (Braddock District) – 120 multifamily units; 120 senior units - \$6.5 million HBL; \$19.7 million FCRHA bonds. Construction continues with anticipated substantial completion in April 2024.
 - The Lodge at Autumn Willow (Springfield District) – 150 senior units; \$4.5 million HBL; \$17.0 million FCRHA bonds. Construction progress was approximately 7% complete as of June 2023. The 9% LIHTC building construction completion is anticipated in September 2024.
 - The Residences at North Hill (Mt. Vernon District) – 216 multifamily units; 63 senior units - \$3.0 million in HBL. Substantial completion for the construction of the project was achieved in FY 2023.
 - Arrowbrook (Dranesville District) – 274 units; \$7.74 million in HBL; \$22.5 million FCRHA bonds. Substantial completion for the construction of the project was achieved in April 2023. The development opened in May 2023.
 - The Arden (Mt. Vernon District) – 126 units; \$7.4 million in HBL. Substantial completion for the construction of the project was achieved in December 2022. The development opened in January 2023.
- New Development Activities in FY 2023, Including the Use of County-Owned Land and Facilities:
 - Predevelopment activities are complete and closing on the financing of the FCRHA-owned Little River Glen (Braddock District) is anticipated for the third quarter of FY 2024. This project includes both the rehabilitation of 120 existing senior units and the new construction of 60 senior units on existing vacant land. This project will also involve the use of multiple financing sources and the issuance of FCRHA bonds.
 - Predevelopment activities continued throughout FY 2023 for the land acquisition and development of Dominion Square (Hunter Mill District), in partnership with the Arlington Partnership for Affordable Housing (APAH). This unprecedented project successfully closed on the acquisition of the property by the FCRHA in June 2023 for the development of 516 multifamily units by APAH.
 - Predevelopment activities continued throughout FY 2023 to create permanent supportive housing at the FCRHA-owned Route 50/West Ox Road site (Sully District). Cornerstones has partnered with the FCRHA to provide 34 units of supportive housing.
 - Predevelopment activities continued throughout FY 2023 for the redevelopment of the G and H parking lots at the Fairfax County Government Center (Braddock District). This project is anticipated to provide

approximately 275 units of housing for low-and-moderate-income households and is being developed through a public-private partnership between the FCRHA and Lincoln Avenue Capital.

- Predevelopment activities began in FY 2023 for the redevelopment of the Franconia Governmental Center (Franconia District). This project is anticipated to provide approximately 120 units of housing for low-and-moderate-income households and will be developed through a public-private partnership between the FCRHA and an affordable housing developer.
 - Predevelopment activities began in FY 2023 for the Penn Daw Affordable Housing project (Mount Vernon District) which is anticipated to provide up to 65 multifamily units and 20 supportive housing units that will be collocated with a county shelter and fire station on site.
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Preservation of Affordable Units

Fairfax County adopted a goal of no net loss of affordable housing, with the preservation of affordable housing in both market affordable and committed affordable rental communities and scattered sites. To meet this goal, the FCRHA assists private partners in financing the acquisition of units to preserve the existing affordability and continues to serve a range of incomes, from extremely low-income (30 percent AMI and below) through moderate income levels (above 80 percent of AMI).

Outcome for FY 2023:

- In December 2022, the County published a Request for Qualifications to establish an inaugural pool of pre-qualified affordable housing providers and development firms to increase the County's agility to take advantage of market and committed affordable housing preservation opportunities. Twenty-one (21) affordable housing providers were designated as pre-qualified within the inaugural pool. The pre-qualification status will allow quicker processing of acquisition or other gap financing applications and otherwise assist the FCRHA and the Fairfax County Department of Housing and Community Development (HCD) with execution of preservation opportunities.
 - Number of Units Preserved that are Affordable to Households at 60% AMI or Below in FY 2023: 155 units were preserved at 60% AMI and below.
 - New Preservation Activities in FY 2023:
Efforts with developers continued throughout FY 2023 to ensure no net loss of existing affordability.
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Addressing Homelessness in the Community

The Office to Prevent and End Homelessness (OPEH) continues to manage and coordinate services to help people experiencing homelessness. The office serves as the lead for the Continuum of Care and collaborates with other county agencies and organizations to end homelessness. OPEH continues to identify opportunities to link affordable housing preservation activities with the countywide homelessness plan.

Outcomes for FY 2023:

- Number of Formerly Homeless Households Who Received Permanent Housing in FY 2023: 1,432 households maintained permanent housing in FY 2023 through the Continuum of Care. Of this number, 10 percent were referred from street outreach and 84 percent were referred from emergency shelter, transitional housing, and rapid rehousing.
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Affordable Dwelling Units and Workforce Dwelling Units

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 FCRHA takes an active advocacy and educational role in promoting ADUs and WDUs and works jointly in these efforts with the Planning Commission. The

FCRHA also works with the Department of Planning and Development to facilitate the delivery of affordable and workforce housing units in Tysons, Reston, Merrifield, and all areas of the County as development proposals are submitted, per the Comprehensive Plan and negotiated proffers. In 2021, changes were adopted to the Workforce Dwelling Unit Policy which offer developers a density bonus for commitments of rental WDUs at 60%, 70% and 80% AMI.

Outcomes for FY 2023:

- Number of Affordable Dwelling Units (rental and for-sale) Constructed in FY 2023: 56 For-Sale; 8 Rental
- Number of Workforce Dwelling Units (rental and for-sale) Constructed in FY 2023: 32 For-Sale; 215 Rental

County-Owned Land and Facilities for Affordable Housing

To further produce and acquire affordable housing, Fairfax County and the FCRHA encourage public-private partnerships to develop workforce/affordable housing on surplus or underutilized county-owned land and facilities, particularly for special needs populations.

Outcome for FY 2023:

This is an ongoing strategic priority for the FCRHA.

Rental Housing Compliance

HCD staff and the FCRHA monitor compliance with regulations governing rental units provided through the ADU and WDU programs. In addition, staff monitor units supported by the Housing Blueprint Loan Program, tax-exempt bond financing, and other special affordable housing programs, such as special needs unit acquisitions supported by federal funds administered through HCD.

Outcome for FY 2023:

This is an ongoing strategic priority for the FCRHA.

Affordable Rental Housing, Property Management and Maintenance

Fairfax County Rental Program

The Fairfax County Rental Program (FCRP) includes rental property owned by the FCRHA and generally serves working households with incomes that are slightly higher than those served in the RAD-Project Based Voucher or Housing Choice Voucher programs. As of the end of FY 2023, housing managed under the FCRP includes 2,009 units of multifamily housing, 112 assisted living beds, 505 units of senior independent housing, 70 supportive units; and 135 units of specialized or other housing. The FCRP serves a range of households with incomes from the low teens up to 80% of AMI, depending on the program component and the property.

Outcome for FY 2023:

- Occupancy Rate of FCRP Properties in FY 2023: 96%

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, providing significant benefits for both residents and the housing authority. 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 pro-actively 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.

Outcomes for FY 2023:

- Occupancy Rate of RAD-PBV Properties in FY 2023: 86%
- Average Income Served as a Percentage of AMI in FY 2023: Approximately 14% AMI for a household of four or approximately \$21,015

Asset Management

Staff and the FCRHA continue to focus on financial performance, overall condition, capital improvements and accountability of all properties, using a private-sector model. As of FY 2022, HCD has moved to full third-party management for all FCRP, RAD and Senior communities. Coan Pond Residences and Woodley Hills Estates were added to full third-party management in May 2023. As of 2023, all HCD properties are third party onsite managed. HCD's Asset Management Division continues to oversee the financial and physical performance of all FCRHA properties by third party management.

Outcome for FY 2023:

This is an ongoing strategic priority for the FCRHA.

Rehabilitation and 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 set aside capital reserves to ensure the high quality of FCRHA properties. Importantly, staff continue to incorporate universal design in all new projects and in rehabilitation projects to the greatest extent possible to increase the number of affordable accessible units.

Outcomes for FY 2023:

- Rehabilitation and Modernization Projects in FY 2023: Two communities were in the process for rehabilitation as follows:

- Little River Glen, a FCRP independent senior living community of 120 units, will be undergoing a full renovation. This property has one bedroom and studio units, of which project based vouchers will be added. This renovation will also add a newly constructed building, Little River Glen IV, with 60 one-bedroom LIHTC units. All units will feature upgraded flooring, upgraded kitchens with energy-rated appliances, and upgraded bathrooms. Pre-redevelopment activities occurred during FY 2023, with the renovations anticipated to be completed in spring of 2025.
- Stonegate Village Apartments is a LIHTC property with 240 units. This property has a mix of one-, two-, three- and four-bedroom apartments consisting of 194 LIHTC units, 46 HUD subsidized units and 6 Project Based Voucher units. All units are projected to be fully renovated with new flooring, upgraded kitchens with energy rated appliances, upgraded bathrooms, and newly added energy rated washers and dryers in every unit. Renovations did not occur in FY 2023 but are anticipated to be completed during the summer of 2024.

Tenant Subsidies and Resident Services

Tenant and Project Based Subsidies

The Housing Choice Voucher (HCV) Program and Rental Assistance Demonstration-Project Based Voucher (RAD-PBV) Program are two of the FCRHA's major tenant subsidy programs. Participants receive financial assistance to rent privately-owned and FCRHA-owned housing units. There are 1,060 FCRHA units in the RAD-PBV program, although 46 are not available due to redevelopment. There were 5,469 vouchers authorized by the U.S. Department of Housing and Urban Development (HUD) through the HCV Program in FY 2023.

Outcomes for FY 2023:

- Number of Federally Subsidized Units Occupied in FY 2023: 5057 households (92%)
- Average Income of Households Served as a Percentage of AMI in FY 2023 (both HCV and RAD-PBV households): Approximately \$19,689 for average household size of two persons (approximately 16% of AMI).

Subsidies for Populations with Special Needs

The Department of Housing and Community Development (HCD) administers tenant subsidies directed toward specific populations through the following programs:

- Veterans Affairs Supportive Housing (VASH) Program: The U.S. Department of Veterans Affairs awarded the FCRHA VASH housing vouchers for homeless veterans. The FCRHA conducts income certifications; case management is provided by The U.S. Department of Veterans Affairs.
- Rental Subsidy and Services Program (RSSP): HCD staff administers RSSP. Funds are provided to non-profits via a competitive process to provide rental subsidies and acquire units to serve homeless individuals and families, victims of domestic violence, and individuals with physical and/or sensory disabilities.
- Tenant Based Rental Assistance Program (TBRA): HCD uses federal HOME-funded vouchers to serve homeless populations and persons 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.
- Mainstream 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.
- State Rental Assistance Program (SRAP): Participants with intellectual and other developmental disabilities receive financial assistance to rent privately-owned housing units.

Outcome for FY 2023:

- Number of Households Served in FY 2023 Under the VASH, RSSP, TBRA, FUP, Mainstream, SRAP programs = 801 total

Resident Services

The FCRHA's Special Programs team manages the Family Unification Program (FUP), Veterans Affairs Supportive Housing (VASH), Mainstream 1-Year (NED), Mainstream 5-Year, Emergency Housing Vouchers (EHV), Housing Choice Voucher Homeownership, HOME-TBRA, SRAP, and HUD Family Self-Sufficiency (FSS) programs. Work in these areas has yielded the below-noted outcomes in FY 2023. In addition, the Step Ahead 2.0 program was initiated to provide supportive services, primarily to those participants in the Emergency Housing Voucher program.

Moving to Work - The FCRHA is designated as a Moving to Work (MTW) agency. The purpose of Moving to Work is to provide the FCRHA with flexibility to design and test various approaches for providing and administering housing

assistance that accomplish three primary goals: 1. reduce costs and achieve greater cost effectiveness in federal expenditures; 2. incentivize employment to help families increase their levels of self-sufficiency; and 3. increase housing choices for low-income families.

Emergency Solutions Grants - In addition to identifying opportunities to provide specialized rental housing for those who are experiencing homelessness, HCD utilizes the County's Emergency Solutions Grants awards to provide partial support of homelessness prevention and rapid re-housing activities for individuals and families.

Outcomes for FY 2023:

- Number of Participants Served Under Family Self-Sufficiency Program in FY 2023: 100 participants
- Number of Persons Moved from Homelessness to Permanent Housing with Rapid Rehousing Assistance in FY 2023 using Emergency Solutions Grants: 260 persons
- Dollar Amount of Emergency Solutions Grant Funds Used for Homelessness Prevention Assistance in FY 2023: \$389,419 was expended in FY 2023.

Homeownership and Relocation Services

First-Time Homebuyers Program

The First-Time Homebuyers Program (FTHB) includes Affordable Dwelling Units through inclusionary zoning that provide new first-time homebuyer opportunities through private, for-sale developments. The program serves buyers with incomes up to 70% AMI with HCD staff ensuring potential purchasers receive homeownership education and meet program underwriting criteria and other eligibility requirements. HCD also monitors refinancing of FTHB units by owners and works with owners to prevent foreclosure. Compliance monitoring is undertaken to ensure the FCRHA receives the required equity share contribution to the Housing Trust Fund.

Outcomes for FY 2023:

- Number of New FTHB Program Purchasers in FY 2023: 86
- Number of Requests to Refinance FTHB Units in FY 2023: 4
- Number of FTHB Units Sold in the Extended Control Period in FY 2023: 7

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 HCVs are allocated to the HCV Homeownership Program.

Outcome for FY 2023:

- Number of Families Participating in the HCV Homeownership Program in FY 2023: 21 households

Workforce Housing

The WDU Policy is a proffer-based incentive to encourage housing in mixed-use centers that is affordable to a variety of household income levels. HCD staff work in coordination with the Department of Planning and Zoning to implement and monitor the WDU policy.

Outcome for FY 2023:

- Number of Workforce Dwelling Units Sold in FY 2023: 28

Moderate Income Direct Sales (MIDS) Program

Under the MIDS program, units were sold to families with moderate income levels by providing second trust loans to reduce the cost of homeownership for households. Resale prices of units are limited and the FCRHA has the first right of refusal when the home is resold. HCD staff monitor the expiration of the control period and/or recapture of any remaining loan balance.

Outcome for FY 2023:

- Number of MIDS Units in Program for Monitoring in FY 2023: 53
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Relocation Program

Staff at HCD provide technical relocation assistance for the development community on tenant relocation issues as well as conduct relocation for FCRHA-owned properties under redevelopment or major renovation.

Outcome for FY 2023:

This is an ongoing strategic priority for the FCRHA.

Program Planning, Development and Management

The FCRHA and HCD pursue a wide range of planning, management, and compliance activities to ensure efficient and effective operations. These activities also support the mission, values, and goal statements of the FCRHA. Below are descriptions of several strategic priorities underway for the FCRHA throughout FY 2023.

- **Communitywide Housing Strategic Plan**

In 2018, the Fairfax County Communitywide Housing Strategic Plan was adopted to help address the community's growing housing needs. The Plan was created in two phases: 1) Phase 1 identified 25 short-term strategies to encourage the production of affordable housing in the County; 2) Phase 2 provided longer-term strategies that would boost the production and preservation of affordable housing and would require resources to implement. The FCRHA and HCD continue to lead the implementation of priorities identified under the Communitywide Housing Strategic Plan, including the goal to develop at least 10,000 new units of affordable housing by the year 2034 and to strive towards no net loss of market affordable housing.

- **Affordable Housing Advisory Council**

In June 2021, the Fairfax County Board of Supervisors approved the re-chartering of the Affordable Housing Advisory Council (AHAC) to include a new Continuum of Care (CoC) Committee of the Council and redefine the purpose, structure, and duties of both AHAC and CoC members. Among the duties of AHAC are to monitor and provide advice regarding the Communitywide Housing Strategic Plan, recommend preservation and creation priorities, and monitor affordable housing funds. As of July 1, 2023, a new CoC Board was established to provide leadership in preventing and ending homelessness in the Fairfax-Falls Church community, separate from AHAC. The CoC Board will act on behalf of the Continuum of Care, which is a partnership of representatives from organizations in the Fairfax-Falls Church community with an interest and role serving people experiencing, or at-risk of, homelessness. The CoC Board and AHAC each maintain a representative from each of the respective bodies.

- **Grants Compliance**

HCD continues to evaluate the use of federal Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) funds to maximize the effectiveness of investments in programs and activities. Staff provide technical assistance and monitoring of CDBG and HOME activities to ensure program compliance and successful outcomes. In addition, staff monitor activities and outcomes of HCD and FCRHA awardees, including funds granted via the Consolidated Community Funding Pool process.

- **Maximizing Organizational Effectiveness**

In FY 2023, HCD continued the realignment of organizational structure and business processes, in particular in Rental Assistance, Policy and Compliance, as well as Real Estate Finance and Development areas. HCD participated in several countywide workforce planning initiatives, including the implementation of recommendations of the executive management study, staff pay compression review, and benchmark class specification regrades. HCD initiated a process for updating and revising existing mission, vision, and values statements for the organization. This work is expected to continue in FY 2024.

- **Strategic Communications**

The FCRHA and HCD work to continuously advance the efficiency and usability of web content and increase the use of videos in telling the story of affordable housing. Both the FCRHA and HCD websites will continue with video and graphical portrayals of information and the incorporation of enhanced language accessibility tools on the Fairfax County website. A social and racial equity focus is embedded in all communications.

- **Human Capital Development**

HCD is committed to the One Fairfax policy and is intentionally considering equity when making policies or delivering programs. During FY 2023, 38 employees attended a One Fairfax session on advancing racial equity. Additionally,

HCD employees have also attended over 300 different sessions on various topics such as Fair Housing, ethics, teamwork, communication, customer services, and desktop and other IT courses. Moreover, 32 employees attended professional conferences to further career development and stay abreast of industry best practices.

- **Advancement of One Fairfax**

One Fairfax is a joint racial and social equity policy that asks departments to intentionally consider equity in decision-making and in the development and delivery of future policies, programs, and services. It helps County leaders to look intentionally, comprehensively, and systematically at barriers that may be creating gaps in opportunity. It establishes shared definitions, focus areas, processes, and organizational structure. The policy identifies 17 focus areas to promote equity, including community and economic development, housing, education, environment, and transportation. Integrating the principles of One Fairfax into the programs and services of the Department of Housing and Community Development is paramount to achieving the goals of the One Fairfax Policy. The Equity Impact Plan identifies the following implementation areas with corresponding actions that guide staff to advance the One Fairfax Policy:

- Use of rental subsidy vouchers to increase and disperse affordable housing choices for people of color in communities where opportunity exists.
- Coordination of affordable housing investments with other county investments to increase opportunities in newly created neighborhoods and prevent displacement from neighborhoods of affordability.
- Strengthening HCD's organizational commitment to racial and social equity.
- Ensuring that HCD/FCRHA policy, planning and/or program documents consider racial and social equity.
- Eliminating the disproportionality of people at risk of or experiencing homelessness from communities of color and other marginalized populations by providing equitable paths to safe, stable, affordable housing.