



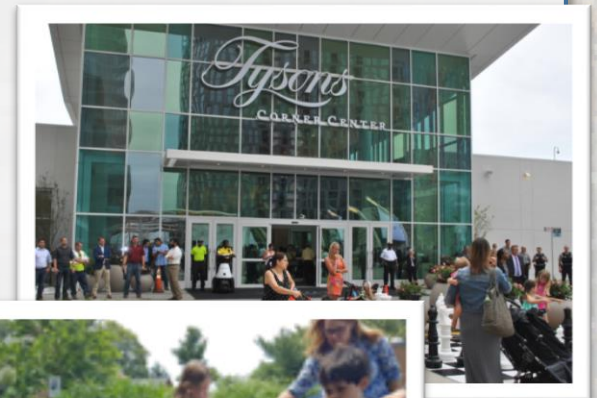
# **Town of Herndon – an Affordable Housing Conversation**

September 17, 2019

# The Big Picture

Fairfax County is an expensive place to live because:

- We have economic opportunity
- Excellent schools
- High quality of life



# What is Affordable Housing?

- A household is not paying more than a third of their income for housing – that their housing is *price-appropriate*
- In Fairfax County, we generally use “affordable” and “workforce” housing interchangeably, with “workforce” meaning up to 120 percent of the Area Median Income.
- In reality, most low and moderate income families can’t afford to pay even a third of their incomes
- Many such families – especially seniors and people with disabilities - end up being “cost burdened” by their housing, often paying more than half of their incomes on rent.

# Why Affordable Housing?

Affordable housing is essential to:

- Family stability
- Educational and health outcomes
- Community and personal economic competitiveness



# The Challenge

A housing market that works for everyone when:

- There is a 31,000 unit gap for low income renter families now
- There is a need for 15,000 net new affordable homes over the next fifteen years

We need a healthy housing market that provides a price-appropriate housing for a range of incomes.

# About the Fairfax County Redevelopment and Housing Authority (FCRHA)

- The preeminent provider of affordable housing in Fairfax County. FCRHA also serves as the County's local finance agency.
- The Department of Housing and Community Development (HCD) acts as the staff to the FCRHA and manages all county and FCRHA affordable housing programs and activities.
- The FCRHA and HCD operate four principal affordable housing programs:
  - PBV-Rental Assistance Demonstration Program (PBV-RAD) (previously Public Housing)
  - Housing Choice Voucher (HCV) Program
  - Fairfax County Rental Program (FCRP)
  - Bridging Affordability

# Impact in the Community:

## Fast Facts

- Nearly 20,000 people live in housing provided by the Fairfax County Redevelopment and Housing Authority (FCRHA) and Fairfax County
- Many more live in privately-owned housing developed with FCRHA financing
- Housing programs are meeting our mission:
  - Average household income served: \$23,795 (24 percent of Area Median Income – “extremely low income”)
  - Approximately 35 percent of all households served in FCRHA/HCD programs include a person with a disability
  - Sixty percent of homeless households placed in **long-term affordable** housing in Fiscal Year (FY) 2016 served by FCRHA resources

# A New Era of Investment in Affordable Housing

**Fairfax County is taking a number of bold steps to address housing affordability in a substantial and meaningful way**

- Immediate new investment
  - Dollars
  - Land
  - Institutional Capacity
- Long-term investments
  - Dollars
  - Land Use Policy



# The Affordable Housing Resources Panel (AHRP) recommendations

## **Structured into five strategic areas:**

- Need, new production goals, and resources
- Land use policies and regulations
- Preservation of affordable units
- Institutional capacity
- Community awareness and legislative priorities

# Panel Recommendation: New Production Goal and Resources

## **Goal:**

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

## **Recommendation to the Board on Resources to Achieve Goal:**

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

# Panel Recommendation: New Production Goals

## **Recommendations to Surpass the 5K by 15 Goal:**

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

# Panel Recommendation:

## Preservation of Affordable Housing Units

- The Board reaffirmed its commitment to no net loss of existing market affordable units to be achieved through public financing and land use policy and prioritization of current funding of a half a penny in the Penny for Affordable Housing Fund.

# Panel Recommendation: Institutional Capacity

- The Board should invest in additional capacity in the county's regulatory agencies and HCD to facilitate and expanded affordable housing development
- Include a “housing in all policies” manager to coordinate with county's planning regulatory development agencies

# Panel Recommendation:

## Community Awareness and Legislation Priorities

- Ensure that affordable housing is a critical focus area in the Countywide Strategic Plan
- Ensure that affordable housing has a prominent place in the Board's legislative program.
- Promote community awareness of, and support for affordable housing through a dashboard to track high level progress

# Working with the Town of Herndon

- Providing countywide services in the Town
  - Housing Choice Voucher program
  - Home Repair for the Elderly
  - Affordable housing development
- Dedicated federal funding for a housing rehabilitation specialist position

# Housing and Neighborhood Improvement Coordinator

- **Overview:** The purpose of the Housing and Neighborhood Improvement Coordinator position is to engage homeowners to encourage and facilitate continued maintenance and reinvestment in the town's more affordable housing resources.
- **Focus:** Renovation of existing housing stock in older neighborhoods, encouragement of neighborhood identity and preservation, and supporting a housing policy for the town reflective of town and regional needs.
- **How it works:** This position works directly with homeowners of lower cost units to obtain licensed contractors to repair and improve property maintenance issues and update existing housing stock. Furthermore, this position will provide group and one-on-one outreach and education regarding preservation and maintenance of housing stock.



# Housing and Neighborhood Improvement Coordinator

- In FY 2019, a total of six cases were completed and included:
  - Adding grab bars
  - Wood rot repair, gutter cleaning
  - Toilet repair (2 cases)
  - Roof repair from wind damage
  - Tree removal, fence repair

# Housing Choice Voucher (HCV) Program Participants in Herndon

The Housing Choice Voucher (HCV) Program is a federally-funded program designed to assist low-income families with their housing needs. Participants in the HCV program receive assistance to rent private market apartments. Participants find their own apartment, condominium, townhome or single-family homes.

- Participants pay approximately 30-35% of their adjusted income towards rent, which is paid directly to their landlord. The FCRHA pays the balance to the landlord.
- The Town of Herndon has 112 voucher participants (this includes RAD-PBV and Homeownership, and other specialty programs). There are 176 additional voucher participants in the Greater Herndon area.

# Home Repair for the Elderly Program (HREP) participants in Herndon

- The Home Repair for the Elderly Program (HREP) staff has provided help to 122 eligible low- and moderate-income elderly homeowners, as well as disabled homeowners with minor non-emergency home repairs. The HREP provides the labor and up to \$500 in materials to complete necessary repairs and maintenance.
- As of the end FY 2019, a total of 139 applications were received. One HREP case was completed in the Town of Herndon.

# Herndon Harbor House



**Dranesville District**

**Located in Herndon**

## Summary:

- 120 units of units for independent seniors.
  - The first phase of the property, completed in 1998, involved the construction of 60 independent senior living units in two buildings that included attractively appointed and spacious common areas for entertaining and socializing.
  - Phase two of the construction, completed in 2001, included an additional 60 units of independent living and an Adult Day Health Care Center.
  - The Herndon Senior Center is the third and final phase of the Herndon Harbor House development and was completed in summer 2005.
- The Herndon Harbor House project was a joint venture between the Town of Herndon and Fairfax County to address the need for affordable housing for its growing senior population. The Town leased the land formerly used for its maintenance shop to the FCRHA partnership for the construction of Herndon Harbor House I. The FCRHA purchased the adjoining site, known as the Taco Factory, for the construction of Phases II and III of the project. The Fairfax County Health Department operates the adult day care facility constructed during Phase II of Herndon Harbor House.

## Funding:

- The financing for the entire project included such funding sources as Low-Income Housing Tax Credits, Fairfax County Housing Trust Fund, Community Development Block Grant, HOME, Tax-Exempt bonds and private financing. As a partner in the development, the Town of Herndon leases a portion of the site to the county for a nominal fee. 20

# Arrowbrook



**Dranesville District**

**Located in Herndon**

## **Summary:**

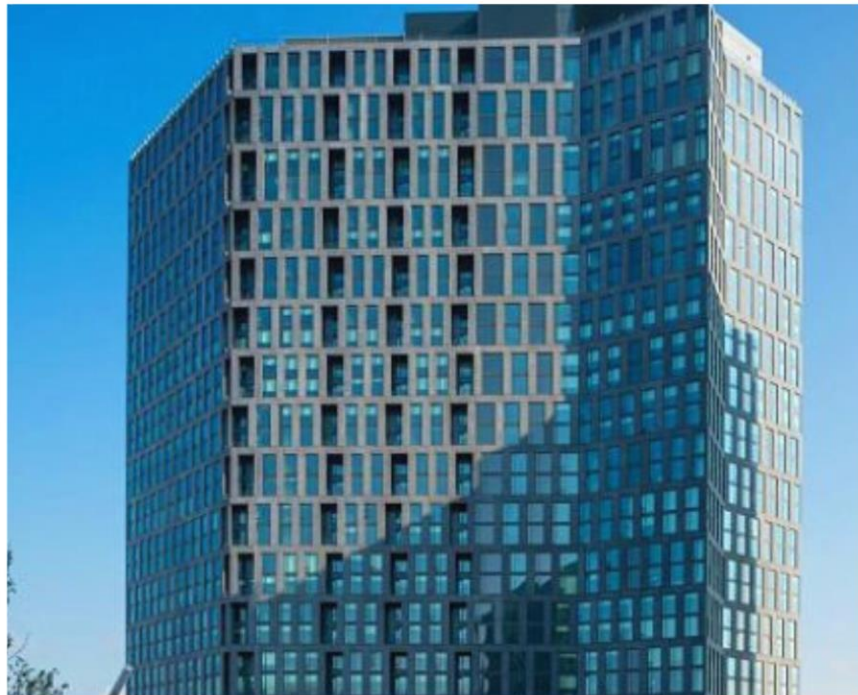
- Addition of 274 units of affordable housing in a highly cost-burdened Herndon/Reston area. Arrowbrook Centre Apartments will offer 42 three-bedroom units that are in high demand in area.
- The project is within a mile of the Innovation Center Metro station, Worldgate shopping and restaurants, food stores and Clocktower Shopping Center.
- The project will remain affordable for at least 50 years pursuant to an agreement with VHDA.
- The project will incorporate green building, universal and sustainable design features. It will also be LEED-certified. The project will have 15 Americans with Disabilities Act compliant units.

## **Funding:**

- Housing Blueprint funds in the amount of \$7,725,000 after the construction is complete. The FCHRA will issue short-term bonds for approximately \$22M for this transaction in summer 2020 as well.

## **Status:**

- Will Close in summer 2020



Affordable Dwelling Units (ADUs)  
Workforce Dwelling Units (WDUs)

# Inclusionary Land Use Program/Policy

- **Affordable Dwelling Unit (ADU) Program**
  - Provided for under the Zoning Ordinance
  - **A total of 2,807 ADUs have been produced (1,389 rentals and 1,418 for-sale)**
  - There are 188 rental ADUs in unincorporated Herndon and Reston
  - Projects in unincorporated Herndon: Monroe Place and Van Metre at Woodland Park
- **Workforce Dwelling Unit (WDU) Policy**
  - Proffer-based incentive system in the Comprehensive Plan
  - **A total of 1,499 WDUs have been produced (1,477 rental and 22 for-sale)**
  - There are 471 rental WDUs in unincorporated Herndon and Reston
  - Projects in unincorporated Herndon: Lincoln at Discovery Square and Station on Silver



# Questions/Comments