

Fairfax County Redevelopment and Housing Authority (FCRHA)  
Department of Housing and Community Development (HCD)

# HCD in FY 2011: A Strategic Planning Dialogue



# Dialogue on the FY 2011 Strategic Plan

- Overview for Today
  - Review critical trends that affect the “big picture” at HCD
  - How HCD is responding to those trends
  - Questions about the draft Strategic Plan

# Recession and Recovery

- Trends
  - Residential foreclosures still having an impact
  - Sales of houses priced at \$400,000 and below have increased 39% (April 2008-April 2009), creating more affordable homeownership opportunities
  - Rental housing affordability remains a critical problem
  - Federal efforts to stimulate the economy are just beginning to be felt
  - Lack of development activity likely to exacerbate affordable housing deficit in the near future
    - Few ADUs are being produced or are on the horizon



# Recession and Recovery

- HCD response:
  - Silver Lining/Neighborhood Stabilization Program (NSP)
    - 35 purchasers in FY 2009
  - Stimulus funds: Community Development Block Grant (CDBG) and Public Housing Capital Fund
    - Total of \$3.9 million in new funds now at work
  - Fostering new development through ADU program and Workforce Housing policy
    - 1,083 workforce units committed through FY 2009; first units under construction



# Helping those Most in Need

- Trends:
  - Approximately 1,800 homeless persons in the county, including more than 600 children
  - About 48,000 people in Fairfax County live below the poverty line (as of 2008)
  - Fairfax County Plan to Prevent and End Homelessness calls for 2,650 units to be added over the next 10 years
  - 71 percent of all households on the FCRHA waiting lists have extremely low incomes



# Helping those Most in Need

- HCD Response:
  - Average household income served in FCRP, Public Housing, HCV: \$26,477, or 29 percent of AMI for a family of three - extremely low-income
  - Focus on Housing First and special needs
  - Home Repair for the Elderly Program - 120 households served in FY 2009
  - Olley Glen senior housing - under construction
  - FCRHA projects in the development pipeline



# Partnering with the Private Sector

- Trends:
  - 60% of affordable units preserved by private sector since 2004
  - Residences at Government Center in pre-development phase
  - Office to Prevent and End Homelessness has private governing body
  - Workforce Housing Policy/ADUs



# Partnering with the Private Sector

- HCD Response:
  - Federal stimulus finds
  - Silver Lining “Plus”
  - Affordable Housing Partnership Program (AHPP)
  - Community Housing Development Organization set-aside
  - Consolidated Community Funding Pool
  - Fairfax County provided over \$17 million (FY 2008) annually to non-profits for housing capital projects



# Non-Profits and Affordable Housing in Fairfax County

- Approximately 16 non-profits provide housing or housing services in Fairfax County
- As of June 2009, 2,488 units of affordable housing owned by non-profits - were acquired with assistance/financing from the FCRHA

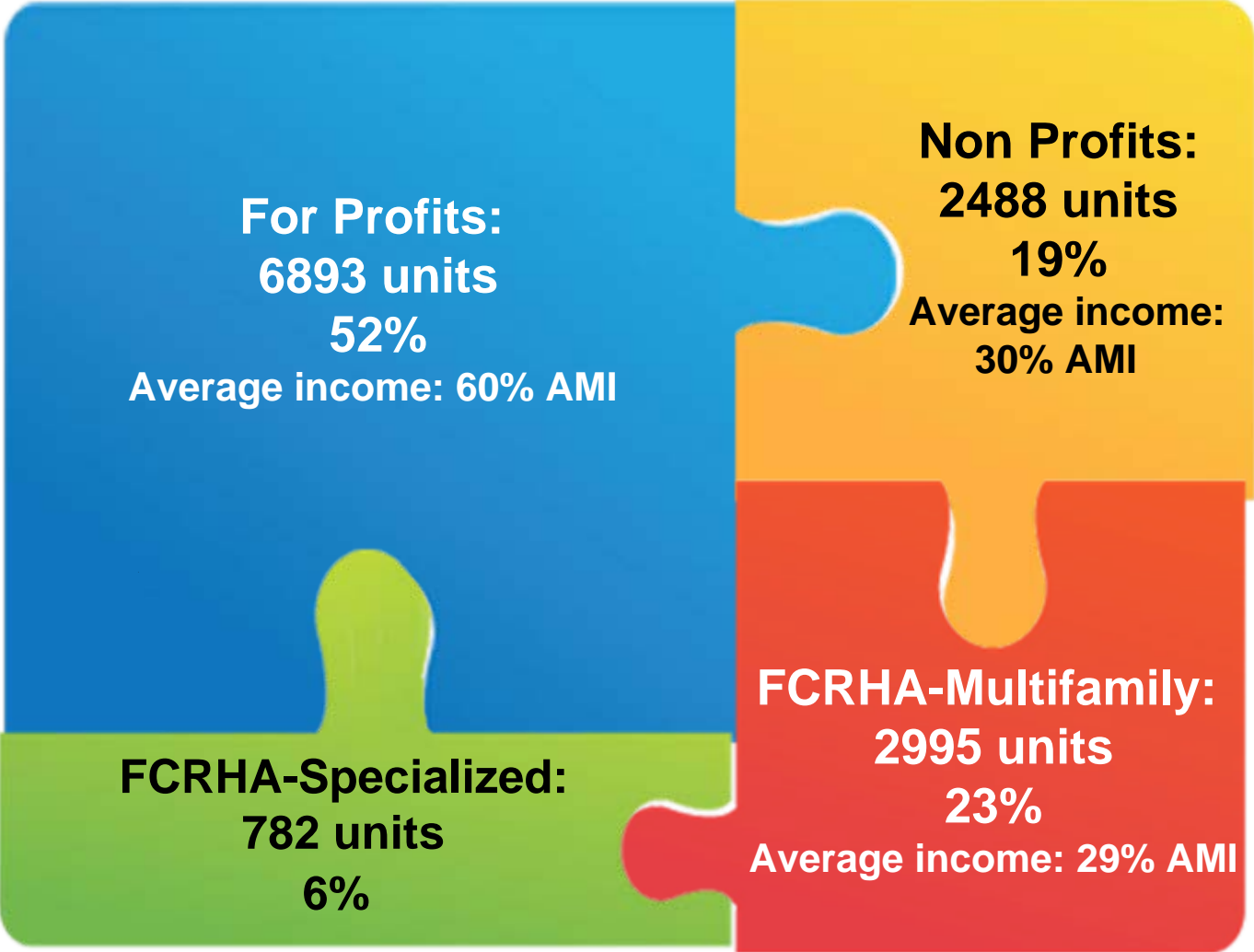


# The Role of Private Sector/For-Profits in Affordable Housing

- Over 1,400 private landlords participate in HCV program
- 2,328 ADUs developed since 1992 by private developers
- 1,083 Workforce Housing units in the pipeline
- 5,446 tax credit and other HUD-financed units
- 770 units financed through FCRHA tax-exempt bonds



# The FCRHA, the Private Sector and Affordable Housing: How it Fits Together (June 2009)



# Challenging Times in Fairfax County

- Trends:
  - In 2008, median sales price of all housing types fell 23% from their 2005 peak
  - Comparing April 2008 to April 2009:
    - Average sales price decreased 17%
    - Median sales price decreased 15%
  - Significant decrease in commercial real estate values anticipated
  - \$315 million deficit projected for FY 2011 in county; does not include schools deficit



# Challenging Times in Fairfax County

- HCD Response:
  - Slow-down in filling positions
  - 3% reduction requested by County Executive for FY 2010
  - Further budget reductions likely in FY 2011
    - 3% reduction will remain in place
    - Additional \$250,000 reduction requested as an option for Board consideration during budget deliberations in February-April 2010 timeframe



# Good Stewardship

- Trends:
  - Average age of assets approximately 30 years
  - Leverage an average of \$3 in non-county funds for every \$1 in county funds invested
  - Safeguarding the public trust through responsible management of resources
  - FCRHA owns/operates 2,995 multifamily units, and 782 units/beds of specialized housing



# Good Stewardship

- HCD Response:
  - Consistent “High Performer” ratings from HUD
  - Focus on asset management
  - Asset Management Project (AMP) teams
  - Capital Fund Program for Public Housing
  - Consistently clean audits
  - Meeting lease-up goals in FY 2009:
    - Public Housing: 99%
    - FCRP: 96%
    - HCV: 102% utilization



# Facing the Challenges

- ❑ Growing need-limited resources (staff and funding)
- ❑ Establishment of the new HCD mission statement
- ❑ Good-to-Great Leadership Team
- ❑ Great Expectations
- ❑ HCD Compact
- ❑ We are all “in it” together



# Summary

- “Big picture” overview of what is necessary to meet the goals of the strategic plan
- Your ideas are critical to success
- Please have your comments to me by November 16
- Questions?

