

THE PENNY FOR AFFORDABLE HOUSING FUND

The appropriation of an amount equal to the value of one penny of the real estate tax rate was approved by the Board of Supervisors in April 2006. This commitment will generate approximately \$21.9 million in new funds for the preservation and production of affordable housing in FY 2007 (July 1, 2006-June 30, 2007).



**Madison Ridge. Sully District.
216 Affordable Units Preserved.**

The objective of the One Penny commitment is to create a dedicated Fund that will be instrumental in preserving at least 1,000 existing affordable housing units before the end of 2007. In addition, the Fund is also intended to be a critical ongoing source of funding for the production of new affordable housing.

The Fund will provide financing to non-profit and for-profit developers and the Fairfax County Redevelopment and Housing Authority (FCRHA) to acquire, rehabilitate, replace and develop affordable housing. The objective of the Fund is not to replace existing federal and state funding, but to supplement, enhance and leverage those funds.



**Island Walk
Hunter Mill District
102 Units Preserved**

**Crescent Apartments
Hunter Mill District
180 Units Preserved**



The use of the Fund will be guided by the following principles and priorities:

Overriding Principles

- ◆ Preservation of existing affordable housing is the highest priority.
- ◆ The Fund will be fully spent or specifically obligated within the fiscal year in which it is appropriated.
- ◆ The Fund will be opportunity-driven.

Guiding Principles

- ◆ The Fund will be leveraged at least 3:1.
- ◆ Projects can be expected to range in affordability.
- ◆ Projects serving a lower income may be eligible for an above-average subsidy, while those serving a higher income eligible for a lower subsidy. The affordability range will be set by the Advisory Committee.
- ◆ All projects are expected to be feasible, sustainable, affordable, completed in a timely manner and meet threshold standards set by the Department of Housing and Community Development.
- ◆ Allocations from the Fund will be spent on capital expenditures.
- ◆ Under appropriate circumstances, the Fund may be used for new housing production.
- ◆ Loans, deferred loans, grants and other financing approaches will be used.
- ◆ The activity, status and success of the Fund will be well communicated to the Board of Supervisors and the community.
- ◆ The Fund should be used to finance permanent or long-term affordability; the minimum affordability period should correspond to the Fairfax County Affordable Dwelling Unit Ordinance.

Top Priorities

- ◆ Preservation of existing affordable housing
- ◆ Workforce housing
- ◆ Address condominium conversions
- ◆ Reduce homelessness
- ◆ Affordable Housing close to work centers and transit
- ◆ Affordable Housing on surplus public land
- ◆ Accessible and special needs housing

The Penny for Affordable Housing Fund