MEMORANDUM

TO: Fairfax County Board of Supervisors  
FROM: A coalition of housing developers, human service organizations and advocates organized by the Northern Virginia Affordable Housing Alliance  
RE: Recommendations for Fairfax County’s advertised FY2023 Budget  
DATE: March 28, 2022

Chairman McKay and Members of the Board of Supervisors:

We appreciate your leadership during these volatile times, and we thank you for the opportunity to provide comments on the advertised FY2023 Budget. Our coalition of organizations works to advance opportunities for low-income households and vulnerable residents in Fairfax County. As the County begins to recover from the impacts of COVID-19, the residents we serve are by no means out of the woods. The future for many is still uncertain, and at times frightening.

Acknowledging the County’s success in increasing housing production

We acknowledge the tremendous progress that’s been made to increase the supply of affordable housing across all magisterial districts. The utilization of county-owned land and additional financial resources have made this possible. Through the dedicated revenue of 1/2 penny of the real estate tax for preservation efforts, and the strategic use of the American Rescue Plan Act (ARPA) dollars and carry-over funds, 2,200 units of affordable housing have been completed or are under construction.

This progress led to the recent adoption of a Board resolution to increase the County’s housing goal from 5,000 units to 10,000 units by 2034. We applaud this action and believe this goal can be achieved with the necessary level of investments appropriate for the stated priority of affordable housing to address the unmet housing needs of County residents.

However to truly measure success, there must be a recognition of the individuals and families with children who continue to struggle with finding an affordable place to live. The Communitywide Housing Strategic Plan, adopted in June 2018, identifies the need for an additional 15,000 units for households earning less than 60% of the Area Median Income ($77,450 for a family of 4) by 2034. Also noted is the existing deficit of more than 31,000 rental homes affordable to low-income individuals and families.

Additional housing needs mentioned in the Plan include:

- **Cost-burdened residents** 44.3 percent of renters (more than 55,000 households) and 22.9 percent of homeowners (more than 60,000 households) spend more than 30 percent of their income on housing;
- **Residents with disabilities** More than 70,000 Fairfax County residents have a disability. These individuals are more likely to have extremely low-incomes and often face a compounded problem - finding housing that is price-appropriate AND with the accessibility features they need to live comfortably. Persons with serious mental illness, whose numbers are not well-chronicled,
are included in this group of residents. The Community Services Board (CSB) has identified 671 current clients with housing needs;

- **Households experiencing homelessness** 1,222 persons were counted in the 2021 Point-In-Time Survey – an increase of 181 persons from 2020;
- **Youth aging out of foster care** Teens in crisis, youth homelessness, and young mothers experiencing homelessness who lack safe, decent shelter constitute a growing challenge for the County.

These unmet housing needs are the result of chronic underfunding of affordable housing development and preservation in County budgets from years’ past.

Our Recommendations

1. Increase the ongoing investment necessary to create more deeply affordable units to a total of $42 million, by dedicating the value of an additional half penny of the real estate tax for the Affordable Housing Development and Investment Fund.

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<tr>
<th>Current dedicated funding = value of ½ penny of RE tax</th>
<th>Advertised FY23 budget = ½ penny dedicated increase</th>
<th>Recommendation: additional value of ½ penny</th>
<th>Proposed one-time increase to FY23 housing budget</th>
<th>Proposed one-time ARPA Funds for housing</th>
</tr>
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<tbody>
<tr>
<td>~ $14 million = for preservation</td>
<td>~ $14 million = for production</td>
<td>~ $14 million</td>
<td>$15 million = three $5 million allocations</td>
<td>$30 million = ARPA + FCRHA program savings</td>
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The FY2023 advertised budget provides additional funding for housing production, but over 50% of the increase is one-time carry-over funding or federal ARPA dollars. As Director Fleetwood stated in his presentation to the BOS at the March 15 Housing Committee meeting,

“All Board-approved FY2022 resources for Blueprint Loans will be committed by July 1, pending Board authorization, including approximately $20 million in local dollars; nearly $9 million in proffer dollars [Tysons fund]; and $15 million in the first tranche of ARPA funds. The FCRHA approved the addition of $17 million toward two major projects. Nearly all funding proposed for FY 2023 is anticipated to be used on projects in the pipeline.”

Additional funding is needed to continue the momentum to both develop more housing and preserve existing units to achieve the goal of no net loss. Recommended strategies include:

- Increase the County’s local rental subsidy program to serve more cost-burdened households. While the housing choice voucher program is helpful, it is woefully insufficient to meet the need;
- Build more safe, appropriate, affordable housing for those who suffer from serious mental illness, substance abuse or extremely low incomes. Existing county programs such as Mondloch House, the Bailey’s Shelter and Supportive Housing should be replicated throughout the county.
- Use ARPA funds to identify and purchase small hotels or motels used by homeless providers during COVID to create more permanent supportive housing. The funding for Quarantine, Protection, Isolation, Decompression (QPID) Shelter program has ended and there are clients without a plan for permanent supportive housing;
Permanent supportive housing must include human services and case management for individuals to be successful. We urge the Board to invest in the Health and Human Resource Plan for FY21 – FY23.

Additional HCD personnel are needed to achieve the County’s goals and objectives, so we support the budget recommendation of 5 new full-time staff.

During the height of the pandemic, non-profit human service organizations working in Fairfax County pivoted their operations to respond to the significant needs of residents who lost jobs and were at risk of eviction. In partnership with Fairfax County, their staff worked extremely long hours to keep residents safe and adequately fed and cared for. Their efforts were nothing short of heroic, and along with increased compensation for county personnel, these essential nonprofit partners deserve additional compensation for their part during the pandemic.

2. The Housing Strategic Plan was adopted in 2018. Now is the time for a 5-year review to calibrate County data and initial housing assumptions. To inform that process, improved data collection and analysis can provide a better understanding of household demographics and establish annual benchmarks to measure progress and advance better housing outcomes.

This recommendation provides a level of accountability and helps ensure that the increased goals meet the housing needs of those residents identified in both the Communitywide Housing Strategic Plan and the FY2023 Housing Blueprint. In addition to a Plan review, we urge the Board to direct the appropriate agencies to address the following:

- provide semi-annual updates to the Fairfax County Affordable Housing Dashboard (last updated in May 2021);
- provide quarterly reporting on the 25 strategies approved in the 2018 Communitywide Plan. The last public update was Nov 2020.

Thank you for your time and consideration of our recommendations. The priority of affordable housing has never been more important. We are committed to working with the Board and staff to implement a budget that invests in a vision for housing and human services that ensures equal opportunities for all who live in Fairfax County.

Sincerely,

AHC, Inc. Susan Cunningham, Interim CEO
Arlington Partnership for Affordable Housing, Carmen Romero, President & CEO
CASA in Virginia, Luis Aguilar, Virginia Director
Coalition for Smarter Growth, Stewart Schwartz, Executive Director
Concerned Fairfax, William Taylor, co-chair
Cornerstones and Cornerstones Housing Corporation, Kerrie Wilson, CEO
Enterprise Community Partners, David Bowers, Vice President, Mid-Atlantic Market
FACETS, Joe Fay, Executive Director
Fairfax County Alliance for Human Services, Chris Hauth, Chair
Fairfax Presbyterian Church, Jerry Hopkins, Parish Associate for Affordable Housing
Good Shephard Housing and Family Services, David Levine, President/CEO
Habitat for Humanity of Washington, DC and Northern Virginia, Rev. Jon Smoot, Exec Dir
Homestretch, Christopher Fay, Executive Director
Housing Association of Nonprofit Developers, (HAND), Heather Raspberry, Executive Director
Inclusion Consultants, LLC, Nancy Mercer, LCSW
Jewish Community Relations Council of Greater Washington, Vicki E. Fishman, Esq, Director of Government and Community Relations, Northern Virginia & DC
Klein Hornig LLC
Lincoln Avenue Capital, Nicholas Bracco, Vice President & Regional Project Partner
Northern Virginia Affordable Housing Alliance, Michelle Krocker, Executive Director
Northern Virginia Apartment Association, Patrick Algyer, Executive Director
Northern Virginia Building Association, Deborah Rosenstein, Chief Executive Officer
Northern Virginia Family Service, Stephanie Berkowitz, President and CEO
Pathway Homes, Inc, Sylisa Lambert-Woodard, President and CEO
SCG Development, Stephen P. Wilson, President – Principal
Second Story, Judith Dittman, CEO
ShelterHouse, Joe Meyer, Executive Director & CEO
Tenants and Workers United, Evelin Urrutia, Executive Director
United Community, Alison DeCourcey, President/CEO
Wesley Housing, Shelley Murphy, President/CEO
Wellington Development, LLC, Jim Edmondson, Managing Member

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