



April 28, 2020

Chairman Jeffrey C. McKay  
12000 Government Center Parkway, Suite 530  
Fairfax, VA 22035

**Re: Recommendations for the County FY2021 Revised Budget**

Dear Chairman McKay,

The [Housing Association of Nonprofit Developers](#) (HAND) thanks you for the opportunity to provide comments on the Revised FY2021 Budget. As a “change” association working across the private, public and nonprofit sectors, HAND is committed to leveraging the power of our diverse collective comprised of nonprofit and for-profit developers, financial institutions, property managers, service providers, government agencies, architects, syndicators, law firms, foundations, universities, and others, to address our region’s affordable housing challenge and ensure that all have an opportunity to thrive.

As you know, our region is in the midst of a rapidly growing affordable housing crisis, forcing individuals to make decisions between paying rent and other necessities like food and healthcare. Further, with the onset of the COVID-19 pandemic and its impact on jobs, critical services and other items, these challenges are increasingly magnified in Fairfax County, and across the region.

As you and your colleagues work to finalize the FY2021 budget, we urge you to consider the below recommendations and prioritize support for: vulnerable populations, service providers and nonprofit property owners, housing affordability and racial equity.

**Vulnerable Populations**

As a result of COVID-19, many of our neighbors have found themselves in extremely stressful circumstances, and the most vulnerable among us will suffer the greatest impacts. Families living paycheck to paycheck, uninsured or underinsured, or simply just lacking the resources to adequately prepare and protect against the outbreak, are experiencing high levels of fear and anxiety. Further, these conditions create the perfect storm for contracting and spreading the virus. We recommend:

- Providing funding for households who have lost their jobs and are struggling to feed their families. Several community-based organizations (including HAND members) can be supportive in coordinating food distribution and access.
- Providing rental and utility assistance to tenants who have lost their jobs and live in properties not covered by federally-backed mortgages or eviction moratoriums; and
- Sharing food and rental assistance with undocumented households who are impacted by COVID-19 and ineligible for federal funding.

HAND also appreciates you leveraging state funding with county resources to provide hotel rooms to safely address the needs of individuals experiencing homelessness. The health and safety concerns in already overcrowded shelters are only heightened during these challenging times.

**Service Providers & Nonprofit Property Owners**

HAND’s diverse membership of 400+ industry professionals includes a wide swath of service providers and nonprofit property owners – both of which are severely burdened in the wake of the pandemic.



With the continued loss of rental income, nonprofit owners of affordable rental housing are being stretched thin to keep their properties afloat. Even when stay-at-home orders are lifted, we expect for many residents to need extra time to resume work or find new jobs, which will directly contribute to extended rent delinquencies. Service providers have also been forced to shut down key services for their residents, such as childcare and afterschool programs. In some cases, organizations have had to reduce staff, even as demands for their services have increased. These programs not only provide important operating revenue, but most importantly enhance the lives of residents and their families.

We propose that the County assembles nonprofit housing providers and service providers to gauge their loss of income as a result of COVID-19, and provide funding for loss of rental income and maintaining operations. Nonprofit organizations should be eligible for grants by way of the Economic Opportunity Reserve Fund and/or additional CDBG funding received through the CARES Act.

### **Housing Affordability**

With the largest population in Virginia, Fairfax County requires more housing than many of its neighboring jurisdictions. HAND appreciates the County's goal of adding 5,000 affordable homes over 15 years, as we recognize that safe, decent affordable housing is directly linked to the success of individuals and families. Specifically, COVID-19 has served as an added reminder that housing is very closely tied to healthcare. In these challenging times, the ability to stay at home is saving lives, and should we encounter future outbreaks later in the year, affordable housing will be even more critical. Considering these factors, we stand behind the following recommendations:

- Retaining the half penny of the RE tax for the county's Affordable Housing Fund and suspending the recommendation that it be used exclusively for preservation;
- Ensuring the security of county funding for affordable housing projects and proposals in the pipeline for development;
- Funding Bridging Affordability and the Housing Blueprint at FY2020 levels;
- Repurposing funds to prioritize housing and making a \$10 million allocation to the County's Affordable Housing Fund (upon examination of the CARES Act funding provided to the County); and
- Prioritizing the Affordable Housing Fund as revenue permits.

### **Racial Equity**

As mentioned above, the COVID-19 crisis has brought increased attention to the plight of low-income families across the nation. Specifically, people of color are suffering disproportionately from the impacts of the coronavirus. Although pre-existing conditions are being touted as the cause of these cases, we know that these health disparities are the result of years of intentional disinvestment in communities of color. Coupled with a lack of affordable housing, accessible healthcare and living wage jobs, this was a recipe for racially segregated and under-resourced neighborhoods. HAND applauds the County's dedication to racial and social equity in the One Fairfax pledge, and we urge you to consider all budget decisions moving forward with an equity lens, asking yourselves "Who does this decision help?" and "Who does it hurt?."

Thank you in advance for your consideration of the above items. We understand that these are unprecedented times, but we recognize this as an opportunity to shape the future for Fairfax County and the greater region. We look forward to partnering with you as we seek to enhance the quality of life in all of our communities.

Sincerely,

Heather Raspberry  
Executive Director  
Housing Association of Nonprofit Developers (HAND)