

On behalf of the

Unmet Housing Needs Committee

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IT IS ESSENTIAL THAT THE FIRST DRAFT OF THE UNMET HOUSING NEEDS STRATEGY BE SENT TO COMMITTEE (TLUC AND FINANCE) FOR REVIEW AND PREPARATION OF POLICY GUIDANCE FOR STAFF PRIOR TO ITS COMPLETION.

Our committee does not advocate for any specific Unmet Housing Needs Strategy because that decision is a matter of public policy for the Loudoun County Board of Supervisors to determine.

We do, however, urge the Board to adopt a **Robust, Sustainable, and Affordable Strategy** which will set clear affordable housing targets for achievement over the next 20 years, backed by the sustained commitment of the resources, research, and policy decisions necessary to achieve them.

We all agree that there is a huge overall need for affordable housing. The challenge is to identify the specific, targeted needs in Loudoun County based on the public interest, and make the commitment of land, finance and in-kind resources essential to achieve them.

THE IMPORTANCE OF THE 20 YEAR TIME HORIZON

A Strategy with specific, quantifiable affordable housing targets over the 20-year time horizon, and coordinated with the Loudoun 2019 Plan and forthcoming Zoning Ordinance Rewrite, is required so:

- 1. Future Boards of Supervisors inherit a well worked out Strategy and do not have to recreate a new one, even while accommodating needed amendments which may arise.
- 2. The Business Community in planning for their future employment needs to have a reliable picture of future affordable housing creation.
- 3. The development community which will be producing affordable housing in public/private partnerships needs to have confidence in the long-term commitment of funding and in-kind incentives and regulations over the multiple years it takes from concept to an affordable house occupied by a deserving family.

The five-year time horizon with annual action plans, while useful, does not substitute for a 20-year time perspective originally contained in the work plan.

THE NEED FOR BOARD OF SUPERVISORS POLICY GUIDANCE TO STAFF NOW

The Staff has put before the Board of Supervisors a portfolio of proposals both large and small in the draft Strategy. Overall, it is excellent work, but raises major policy questions which the Board needs to support, modify, or delete to guide Staff as they prepare the final Unmet Housing Needs Strategy Plan. Among the policy decisions are the following:

1. Objective 2 of the Staff Matrix: Secure Land Resources Needed to Address Unmet Housing Needs has <u>28</u> specific recommendations including the creation of a Land Bank and a Community Land Trust.

Note: The Board needs to work with Staff to refine this list and set priorities based on research of how much land is actually available for affordable housing and what are the most productive methods of mobilizing and allocating the land. Land is likely to be a major constraint on the Strategy and therefore a major policy issue.

2. Objective 3 of the Staff Matrix: Obtain Viable Funding Sources has <u>40</u> specific recommendations including changes in proffer policies, revised allocations of Federal funds, creation of a Community Fund, and the ultimate issue of mobilizing General Funds for the Housing Trust Fund.

Note: the total funding and land available will ultimately determine the number of affordable housing units which will be available to future Loudoun residents. Therefore, it is critical to define the policies to guide mobilization of finance.

3. Objectives 4 and 5 contain <u>39</u> recommendations including use of bonus density to attract more affordable housing, use of incentives such as building height, set back reductions, lot coverage increases to save costs etc., new programs for County employees, expansion of the down payment for households up to 100% AMI, and more.

Note: The use of bonus density if fully valued on a lifetime costing basis is likely to be more expensive to the County than direct buy down of the affordable houses. Incentives that indirectly use cutbacks in the quality of affordable communities may generate citizen opposition from neighbors. These and the other recommendations need Board discussion before approval.

4. All together in the five objectives there are <u>132 specific action recommendations</u> without priority or estimate of staffing requirements or total administrative costs. Many of the activities recommended are only indirectly associated with the actual production of affordable housing. Each one should be reviewed by the Board in committee and approved, modified, or deleted and some guidance on priorities given to the Staff in order to focus the final draft of the Strategy.

THE STRUCTURE NEEDED FOR A 20 YEAR UNMET HOUSING NEEDS STRATEGY PLAN

The present draft Strategy has presented the Board of Supervisors with a rich array of ideas and concepts, but the present structure needs to be reinforced to accomplish the following:

1. An Executive Summary which should include a diagram of the overall strategy. *Note: An illustrative diagram is attached to show the concept but is not an actual proposed design.*

- 2. A clear baseline of all existing affordable housing units now on the ground so that future progress can be measured against the present. *Note: There is already much of this information within the document and just needs to be organized in a clear format.*
- 3. A specific listing of all the programs which will create affordable housing units or provide for affordable housing relief to citizens needs to be identified so that progress in each can be monitored. *Note: Again, the draft contains some of this information.*
- 4. A new section is needed which sets out the per unit cost and requirements for creating affordable housing units and providing subsidies to individual qualified families, so that future Board of Supervisors will have a technical basis upon which to make resource allocation decisions.

Note: Our April 2020 committee report included the kinds of information needed for this analysis. The full report and supporting information can be found here:

Unmet Housing Needs Committee Briefings & Reports

5. The specific responsibilities for implementation by the various County Departments, and the private sector should be assigned for future accountability.

CONCLUSION:

The Staff has done an excellent job in providing the Board of Supervisors a broad set of recommendations to consider, but it must be recognized that this solid work is not yet an operational Unmet Housing Needs Strategy.

The Draft UHN Strategic Plan requires specific guidance from the Board of Supervisors and Staff modification before approval.

