

Subject: CPHD- AHMP Progress

**FY 2018 Proposed Budget
Budget Work Session Follow-up**

4/12/2017

The following information is provided in response to a request made by Mr. Jay Fisette at the work session on 3/24/2017, regarding the County's progress and projections for creating committed affordable housing units (CAFs) as listed in the Affordable Housing Master Plan (AHMP).

Please find attached a table showing prior year data and projections of County funded projects (from all funding sources), which includes the funded amount, the number of CAFs created and a comparison of those trends to the AHMP goals (and specifically, Objective 1.1).

AHMP Objective 1.1 states that, "By 2040, 17.7% of the County's Housing stock should be affordable rentals to meet the needs of renter households with incomes at or below 60% Area Median Income (AMI)."

Comparison of Affordable Rental Housing Stock to Affordable Housing Master Plan (AHMP) Goals

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
	Actuals					Projections				
^{1,2,3,4} County Loan Funds Allocated from all Sources for Committed Affordable Unit (CAF) Preservation, Renovation, and Creation (for FY 2018 - FY 2021, assumes an annual AHIF appropriation of \$13.7M and includes projected loan repayments and developer contributions, minus annual debt service for BV3 and funds for AHIF Housing Services)	\$ 21,314,131	\$ 6,800,000	\$ 37,129,899	\$ 27,805,094	\$ 26,386,406	\$ 32,813,539	\$ 25,809,509	\$ 19,219,786	\$ 19,219,786	\$ 19,219,786
Existing Number of CAFs at or below 60% AMI (beginning of fiscal year)	5,619	5,911	5,966	6,133	6,462	6,671	6,945	7,117	7,246	7,375
⁵ CAFs Created, Renovated, or Preserved with County Loan Funds (includes CAFs affordable at or below 80% of AMI)	281	78	426	330	276	451	258	192	192	192
⁷ Site Plan and Other CAFs Added to Inventory	11	27	40	66	46	105	33	33	33	33
Total CAFs Created, Renovated, or Preserved	292	105	466	396	322	556	291	225	225	225
⁶ Net New CAFs from County Loan Funds Added to Inventory	281	28	267	309	173	179	129	96	96	96
⁷ Site Plan and Other CAFs Added to Inventory	11	27	40	66	46	105	33	33	33	33
Total Net New CAFs Added to Inventory (includes Net New CAFs from County Loan Funds plus Site Plan/Other CAFs Added to Inventory)	292	55	307	375	219	284	162	129	129	129
⁸ Total Number of CAFs at or below 60% AMI (end of fiscal year)	5,911	5,966	6,133	6,462	6,671	6,945	7,117	7,246	7,375	7,504
^{9,10,11,12} Rental Housing Stock Affordable to Households under 60% AMI as a Percentage of the Total Housing Supply	10.2%	8.7%	8.7%	9.2%	8.4%	7.9%	7.4%	6.9%	6.4%	6.4%
¹³ Gap between 60% AMI units as a % of Total Housing Supply and AHMP Goal (17.7%)	-7.5%	-9.0%	-9.0%	-8.5%	-9.3%	-9.8%	-10.3%	-10.8%	-11.3%	-11.3%

¹ The County's \$8 million allocation to the Shell new construction project occurred over two fiscal years. The County's performance measures reflect the entire funding allocation in FY 2013, when the second allocation was approved. For this report, the allocation is shown in FY 2012 to reflect when the new CAF units were added to the County's CAF inventory.

² The County's performance measures for FY 2015 show \$29.2M in allocated funds, which includes \$1.35M to Culpepper Garden to refinance their first trust. This \$1.35M was later included in the FY 2017 allocation to Culpepper and is therefore reflected in FY 2017 figures in this report to avoid double-counting. Once FY 2017 actuals are reported in the County's performance measures next budget season, FY 2015 actuals will be updated to reflect this shift.

³ For FY 2018 NOFA and Community Housing Development Organization (CHDO) NOFA, the County received 9 applications for 5 projects and 648 units, totaling \$59.5M in County fund requests.

⁴ Tenant Assistance Fund (TAF) allocations are not included in this analysis.

⁵ Projections for FY 2018 - FY 2021 assume \$100,000/unit of County support, which is based on the average per unit request in the FY 2018 NOFA applications submitted by applicants.

⁶ Anticipated net new CAFs for FY 2017- FY 2021 assumes that half of all CAFs supported by County loan funds in a given fiscal year will be newly added to the inventory. This percentage is based on a 4-year historical average and will vary year-to-year depending on whether County Board-approved projects include renovation/preservation of existing units or new construction/acquisition of units.

⁷ Anticipated site plan and other CAF units for FY 2017 - FY 2021 are based on 5-year historical averages and include multifamily and homeownership units.

⁸ Does not include 80% AMI CAF units from The Serrano in FY 2014 (140 units) and Spectrum FY 2015 (40 units). Additionally, total CAF count will periodically fluctuate down as the affordability period expires on older projects.

⁹ Does not account for potentially expiring CAFs, which do not sizably impact the % of rental housing stock metric.

¹⁰ The FY 2016 metric was revised to include only 60% of AMI CAFs. This is a revision from performance indicators in the County's budget book and will be reflected in future iterations.

¹¹ FY 2017- FY 2018 metrics are revised from the County's budget book performance measures to reflect latest estimates.

¹² FY 2021 assumes that all affordable units at or below 60% AMI are CAFs. If development trends continue, it is anticipated that remaining MARKs may be lost by FY 2021.

¹³ AHMP Objective 1.1: By 2040, 17.7% of the County's Housing stock should be affordable rentals to meet the needs of renter households with incomes at or below 60% AMI.