

# SUMMARY OF DRAFT AFFORDABLE LIVING POLICY BLUEPRINT – MAY 19, 2025

Policy Element	Where We Are Now	Gap Analysis	Goals and Associated Strategies (Priorities in Bold; Cost Impacts—\$ Utilizes current spending; \$\$ Requires additional funding; \$\$\$ Needs significant financial investment)
<b>Rental Housing:</b> Generating affordable housing rental residential units (Goals 1, 2, 3)	- 180 ADUs by the end of 2025 through the Affordable Dwelling Unit (ADU) Program. - 12 households served through the City Committed Affordable Unit (CCAU) Program.	- Median rents surged 25% from \$2,059 to \$2,570 from 2020 to 2024. - Qualifying income for a 1-bedroom unit (\$64,908); 2-bedrooms (\$73,620); 3-bedrooms (\$91,584).	<p><b>Goal 1: Increase the percentage of affordable units in new development to a minimum of 12%; up from the 2019 Affordable Living Policy that encouraged greater than 6%.</b></p> <ul style="list-style-type: none"> <li>• <b>Strategy a: Adopt policies that incentivize production up to 12% ADUs for new multifamily. [Immediate implementation; \$]</b></li> </ul> <p><b>Goal 2: Increase the ratio of affordable units (at and below 60% AMI) of total housing stock from 3% to 6% by 2040.</b></p> <ul style="list-style-type: none"> <li>• <b>Strategy a: Streamline the new development application process to promote new affordable housing development. [Long-term (&gt;3 years) implementation; \$]</b></li> <li>• <b>Strategy b: Leverage public private partnership developments to address City affordability goals. [Short-term (1-3 years) implementation; \$\$\$]</b></li> </ul> <p>Goal #3: Increase the percentage of deeply affordable (30 –50%) units to 25% of the total number of affordable units in the City to align with percentage of current and projected low-income residents.</p> <ul style="list-style-type: none"> <li>• Strategy a: Expand City Committed Affordable Unit program number of units and where possible extend leases. [Short-term (1-3 years) implementation; \$\$\$]</li> </ul>
<b>Homeownership:</b> Targeting affordability for current and first-time homeowners (Goals 4, 5)	- 10 of a total 20 Affordable Homeownership Program ADUs, which reduce the costs of homeownership to first-time homebuyers using Virginia Housing REACH grant funds.	- Between 2020 and 2024, median single-family home prices jumped from \$750,000 in 2020 to \$1.3 million in 2024, and townhome prices increased by 68%.	<p>Goal 4: Increase first-time homeownership opportunities for AMIs between 80 and 120%.</p> <ul style="list-style-type: none"> <li>• Strategy a: Utilize land use (such as a Community Land Trust) and zoning tools to promote ownership development. [Long-term (&gt;3 years) implementation; \$\$]</li> <li>• Strategy b: Promote local and state programs like the Sponsoring Partnerships and Revitalizing Communities Program (SPARC),</li> </ul>

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		- Growing gap in homeownership attainability. The median homeowner income is \$212,150—nearly double the \$115,745 median renter income.	<p>down-payment and closing cost assistance. <i>[Immediate implementation; \$]</i></p> <ul style="list-style-type: none"> <li>• Strategy c: Develop and pilot a Rent-to-Own program. <i>[Short-term (1-3 years) implementation; \$\$\$]</i></li> <li>• Strategy d: Investigate the possibility of using Low-Income Housing Tax Credits (LIHTC) to develop a property with a lease to purchase program and potential partnership. <i>[Long-term (&gt;3 years) implementation; \$]</i></li> <li>• Strategy e: Investigate expanding the existing Affordable Homeownership Program (AHP). <i>[Short-term (1-3 years) implementation; \$]</i></li> </ul> <p>Goal 5: Incentivize the development of affordable ownership units and reduce barriers to entry for new homeowners.</p> <ul style="list-style-type: none"> <li>• Strategy a: Establish an Affordable Condo/Townhome Policy. <i>[Long-term (&gt;3 years) implementation; \$]</i></li> </ul>
<b>Preservation:</b> Developing solutions for aging property in the City at risk of losing affordability restrictions (Goals 6, 7)	<ul style="list-style-type: none"> <li>- Affordability covenants for 9 Teacher Workforce Units extended by 10 years to 2032</li> <li>- 15 Ownership ADUs: 5 Whittier units (expiration date: 2048); 10 Affordable Homeownership Program ADUs (expiration date: 2123)</li> <li>- 160 Rental ADUs: The Fields (96 units – expiration date 2027); Pearson</li> </ul>	- City faces a diminishing supply of affordable housing as older units expire from affordability restrictions.	<p><b>Goal 6: Retain the affordability of existing committed affordable units or achieve zero net-loss due to affordability expirations with offsite replacements as needed.</b></p> <ul style="list-style-type: none"> <li>• <b>Strategy a: Work with developers to extend affordability expirations at properties. This includes preservation of the 96 affordable units at The Fields. <i>[Immediate implementation; \$\$\$]</i></b></li> <li>• <b>Strategy b: Offset the loss of expiring ADUs with City CCAUs. <i>[Immediate implementation; \$\$\$]</i></b></li> <li>• <b>Strategy c: Update zoning requirements to require a reduction in density if affordable housing units are lost and consider increasing permitted density if additional affordable units are created. <i>[Long-term (&gt;3 years) implementation; \$]</i></b></li> </ul>

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	Square (15 – 2027); Read Building (9 – 2032); Northgate (7 – 2033); Lincoln at Tinner Hill (15 – 2035); West Broad Residences (18 – 2035)		<ul style="list-style-type: none"> <li>• <b>Strategy d: Maintain funding for the Virginia Village Acquisition Strike Fund. [Immediate implementation; \$\$\$]</b></li> <li>• <b>Strategy e: Implement a City Right of First Refusal (ROFR) policy to preserve affordable market rate units. [Long-term (&gt;3 years) implementation; \$\$]</b></li> <li>• <b>Strategy f: Investigate real estate tax abatement as an option for affordable homeownership preservation. [Long-term (&gt;3 years) implementation; \$\$]</b></li> </ul> <p>Goal 7: Support aging in place rehabilitation.</p> <ul style="list-style-type: none"> <li>• Strategy a: Develop a program that supports aging-in-place rehabilitation with incentives for low- and moderate-income households. [Short-term (1-3 years) implementation; \$\$\$]</li> <li>• Strategy b: Develop a program to provide accessibility renovation assistance for seniors or disabled persons, such as a Home Improvement Loan/Fund and utilization of VA Housing Modification Grants (\$8k), which target these groups. [Short-term (1-3 years) implementation; \$\$\$]</li> </ul>
<b>Housing Stock:</b> Addressing housing affordability through encouraging supply and density of housing (Goals 8, 9, 10)	<ul style="list-style-type: none"> <li>- Current land use policies identify single-family detached, single-family attached (townhouses), condominiums, and multifamily rental housing for residential development.</li> <li>- Recent Accessory Dwelling and T-Zone</li> </ul>	<ul style="list-style-type: none"> <li>- Present housing stock does not meet the needs of new homeowners, individuals with disabilities, or seniors on fixed incomes. Smaller and more affordable housing options near shopping and services are needed and</li> </ul>	<p><b>Goal 8: Ensure adequate stock along the housing spectrum from single family dwelling units, to townhomes, duplexes, and multifamily units.</b></p> <ul style="list-style-type: none"> <li>• <b>Strategy a: Review and investigate Comprehensive Zoning reform that includes 'Missing Middle' and Floor-to-Area Maximums to encourage more development options. [Long-term (&gt;3 years) implementation; \$]</b></li> </ul> <p><b>Goal 9: Encourage larger household units (2+ bedrooms) in multifamily properties.</b></p>

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	zoning changes will expand the potential for housing options.	warrant their development on individual lots.	<ul style="list-style-type: none"> <li><b>Strategy a: Streamline development requirements, including reducing parking, minimizing setbacks, and increasing density to promote City goals. [Long-term (&gt;3 years) implementation; \$\$]</b></li> </ul> <p>Goal 10: Promote policies and initiatives that increase housing stock diversity and density to meet or exceed anticipated Comprehensive Plan: Demographic Chapter projections.</p> <ul style="list-style-type: none"> <li>Strategy a: Ensure City owned property is deployed to support housing diversity goals. [Short-term (1-3 years) implementation; \$]</li> <li>Strategy b: Restrict short term rentals to promote adequate housing supply. [Short-term (1-3 years) implementation; \$]</li> </ul>
<b>Unhoused and Wraparound Services:</b> Addressing affordability for City residents who are without permanent shelter or at risk of becoming homeless and need a safe place to reside and supportive services (Goals 11, 12, 13, 14)	<ul style="list-style-type: none"> <li>- The City's Community Services Fund (CSF) provides grant funding to nonprofit organizations seeking City support for human services programs and activities serving City residents.</li> <li>- The Falls Church Homeless Shelter, a 12-bed emergency shelter on Gordon Road, serves adults in need during the winter season by providing shelter, food, counseling services, and access to housing placement</li> </ul>	<ul style="list-style-type: none"> <li>- Falls Church has a growing population of unhoused individuals. The Falls Church Homeless Shelter can only accommodate 12 adults and operates from November to March. Outside of these months, individuals experiencing homelessness must rely on shelters in neighboring jurisdictions, often requiring transportation to facilities in Fairfax County.</li> <li>- The annual Point-in-Time (PIT) count has shown</li> </ul>	<p><b>Goal 11: Expand housing and service options for persons with incomes at 0-30% AMI and persons with disabilities.</b></p> <ul style="list-style-type: none"> <li><b>Strategy a: Include accessible units in the CCAU program and increase number and access to accessible affordable units (Target 2-3). [Short-term (1-3 years) implementation; \$\$]</b></li> <li><b>Strategy b: Establish eviction prevention and rental assistance fund with yearly allocation. [Short-term (1-3 years) implementation; \$\$\$]</b></li> <li><b>Strategy c: Maintain point of service opportunities for supportive services in the City, including, for example, mobile clinics. [Short-term (1-3 years) implementation; \$]</b></li> </ul> <p><b>Goal 12: Retain or expand unhoused services at the Property Yard.</b></p>

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	<p>services.</p> <ul style="list-style-type: none"> <li>- Aurora House is a regional residential counseling facility offering short- and long-term community-based treatment for girls ages 13-20.</li> </ul>	<p>fluctuations in homelessness rates, with increases of 10% in 2023 due to rising housing costs and economic instability.</p> <ul style="list-style-type: none"> <li>- Wraparound services—such as mental health counseling, substance abuse treatment, and job training—are underfunded and not readily available within City limits.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Strategy a: Advocate for maintenance or expansion of unhoused services at the Property Yard, based on determined needs. [Short-term (1-3 years) implementation; \$]</b></li> </ul> <p>Goal 13: Advocate for an expansion of Medicaid options for housing services for Medicaid recipients.</p> <ul style="list-style-type: none"> <li>• Strategy a: Facilitate communication with Medicaid providers for accessibility services. [Long-term (&gt;3 years) implementation; \$]</li> </ul> <p>Goal 14: Improve understanding of needs along the housing continuum.</p> <ul style="list-style-type: none"> <li>• Strategy a: Conduct a Community Needs Assessment. [Immediate implementation; \$\$]</li> <li>• Strategy b: Coordinate with Fairfax County and The Falls Church Homeless Shelter to determine unhoused needs and initiatives. [Short-term (1-3 years) implementation; \$]</li> </ul>
<p><b>Funding:</b></p> <p>Identifying public sector financial resources from local, state, or federal government to support affordable housing programs and livability in the City (Goals 15, 16, 17)</p>	<ul style="list-style-type: none"> <li>- Affordable Housing Fund (AHF) provides financial resources to maintain existing affordable housing and develop additional affordable housing opportunities in the City for households with a gross income less than 120% AMI.</li> <li>- Resources for the AHF are currently generated</li> </ul>	<ul style="list-style-type: none"> <li>- Substantial investments will be needed for additional affordable rental housing, new homeownership opportunities, preservation of committed affordable units with expiring subsidies, and expansion for unsheltered persons and wraparound services.</li> </ul>	<p><b>Goal 15: Secure a dedicated, annual, and indexed source of funding.</b></p> <ul style="list-style-type: none"> <li>• <b>Strategy a: Investigate options to fund affordable housing by increasing/dedicating a tax to housing, e.g., meals tax (not recommended due to increased City revenue and politically sensitive topic), or fund based on a percentage of real estate tax, percentage of general fund, or tax rate. [Long-term (&gt;3 years) implementation; \$\$\$]</b></li> <li>• <b>Strategy b: Authorize use of EDA or City revenue bonds to assist with affordable housing development and construction costs. [Long-term (&gt;3 years) implementation; \$\$\$]</b></li> </ul>

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	<p>through cash contributions from developers and occasional one-time allocations from City Council.</p> <p>- Nonprofit, for-profit and government organizations are awarded grants for site-specific projects based on a public, rolling application process</p>	<p>- To bring the City's per capita affordable housing funding in parity with neighboring jurisdictions, the City would have to more than double current investment per capita from \$34 to \$80. This would increase current funding by \$674,000 annually, currently \$500,000 to \$1,174,000.</p> <p>- Assuming the projected population in 2040 will be 20,585, the annual per capita investment would be \$1,648,800.</p>	<p>Goal 16: Commit annual funding for at least 5 years.</p> <ul style="list-style-type: none"> <li>Strategy a: Create categories within the AHF to include discrete uses such as: a preservation loan fund, CCAUs, and other development, and track funding on a 5-year cycle (like the Capital Improvements Plan). <i>[Completed; \$]</i></li> </ul> <p>Goal 17: Target annual amount of affordable housing funding by 2040 to \$1,650,000.</p> <ul style="list-style-type: none"> <li>Strategy a: Investigate use of alternate funding options for affordable housing and City goals such as tax increment financing (TIF), payment-in lieu- of-taxes (PILOT), real estate tax abatement, or bond issuance. <i>[Long-term (&gt;3 years) implementation; \$]</i></li> <li>Strategy b: Investigate state and federal grant programs such as Inflation Reduction Act (IRA) and Virginia Department of Housing and Community Development (DHCD) funding for older homes or income restricted housing renovation/repairs. <i>[Long-term (&gt;3 years) implementation; \$\$]</i></li> </ul>
<p><b>Governance:</b> Supporting broader citizen and stakeholder engagement in recommending housing programs and policies to City boards and commissions (Goals 18, 19, 20)</p>	<p>- The City has established advisory committees and commissions that serve to promote transparency and frequent engagement with the broader community to track progress and monitor how housing goals are implemented, including the Planning Commission, the Housing Commission and the Human Services Advisory Council.</p>	<p>- The existing committees and commissions are composed of resident volunteers appointed by the City Council. Good governance should aspire to strengthen and expand those channels through broader community education and engagement with a coalition of City stakeholders, including</p>	<p>Goal 18: Strengthen the existing policy structure by updating statutory legal authority and reviewing existing policies.</p> <ul style="list-style-type: none"> <li>Strategy a: Develop staffing plan to meet the needs outlined in this policy. <i>[Short-term (1-3 years) implementation; \$]</i></li> <li>Strategy b: Update ADU ordinance to take advantage of new authority granted under state law. <i>[Immediate implementation; \$]</i></li> <li>Strategy c: Audit land deeds to remove restrictive covenants. <i>[Long-term (&gt;3 years) implementation; \$\$\$]</i></li> <li>Strategy d: Coordinate policy with Energy Action plan implementation and encourage environmentally efficient development. <i>[Short-term (1-3 years) implementation; \$]</i></li> </ul>



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	- The Economic Development Authority is also a key stakeholder.	business leaders, faith communities, and developers. - Incorporating the goals of the affordable living policy with other City objectives such as environmentally sustainable communities and robust economic development in a broader discussion that provides context for housing. More public communication, through traditional and digital media tools, would support transparency and accountability for the housing plan.	<ul style="list-style-type: none"> <li>Strategy e: Require developments that receive City funding to enhance tenants' rights. <i>[Long-term (&gt;3 years) implementation; \$]</i></li> <li>Strategy f: Investigate legislation for just-cause evictions and rent control. <i>[Long-term (&gt;3 years) implementation; \$\$]</i></li> <li>Strategy g: Investigate possible coordination with state and local partners to secure LIHTCs and Section 8 Vouchers. <i>[Long-term (&gt;3 years) implementation; \$]</i></li> </ul> <p>Goal 19: Enhance transparency and communication efforts that empower voices of those 'not at the table'.</p> <ul style="list-style-type: none"> <li>Strategy a: Develop an Affordable Living Dashboard for comprehensive public facing information to display and track goals. <i>[Completed; \$]</i></li> <li>Strategy b: Improve public awareness of programs and options. <i>[Immediate implementation; \$\$]</i></li> </ul> <p>Goal 20: Establish or maintain dialogue with City partners including developers, local faith organizations, nonprofits, neighboring jurisdictions, and statewide institutions.</p> <ul style="list-style-type: none"> <li>Strategy a: Establish lines of communication with religious institutions. <i>[Short-term (1-3 years) implementation; \$]</i></li> <li>Strategy b: Expand authority for City partners like The Falls Church Housing Corporation (FCHC), EDA or separate entity for use as a Land Bank. <i>[Short-term (1-3 years) implementation; \$]</i></li> <li>Strategy c: Establish annual meetings to discuss ALP progress with Housing Commission and Human Services Advisory Council (HSAC) to enable more frequent policy reviews, updates, and more effective oversight. <i>[Immediate implementation; \$]</i></li> </ul>

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			<ul style="list-style-type: none"><li>Strategy d: Sponsor a housing fair or housing education forum for the entire community. <i>[Short-term (1-3 years) implementation; \$]</i></li></ul>