



FACT SHEET for One Penny Fund March, 2008

The One Penny Fund has preserved 2,207 units as affordable housing, keeping rents affordable for approximately 6,600 individuals.

- The latest estimate of the loss of affordable housing units since 2002 is approximately 9,300. If the Penny Fund did not exist, this number would be 11,500 units lost.
- The Penny Fund is a critical element in achieving the policy goal of preserving existing affordable housing, both now and for future generations of County residents. This fund supports a creative public-private partnership that includes local government, nonprofit and for-profit developers leveraging public dollars 4:1 to preserve housing serving incomes up to 120% of area median income.

One-third of the Penny funds has preserved units serving very low incomes (50% AMI or below) and 48% has served low incomes (60% AMI).

- No funds have been used to serve households above median income except to avoid displacement of long time residents at acquired properties.
- It would be bad public policy to preserve affordable housing and immediately displace current residents. Households who are over the income limits are given notice to move when their lease expires, and relocation assistance is provided to help with the move.

Recent studies undertaken by George Mason University's Center for Regional Analysis indicate the need for an additional 12,000 rental units by 2010 to support the economic development and job growth in the County.

- This breaks down to 6,000 units for households \leq 50% AMI, 3,500 units for 60-80% AMI, and 2,500 units for 90-120% AMI. The Area Median Income for Fairfax County is \$100,000.
- In 1990, 175,200 persons worked in Fairfax County, but lived elsewhere. In 2000, that number jumped to 238,200, an increase of 36%. Increased in-commuting reflects a jobs/housing imbalance, and lack of affordable options to live in the County for those who work in the County.

- More cars on the road mean greater congestion, increased air pollution, less family time and diminished quality of life.
- High housing costs are cited as an impediment to hiring and retaining employees such as entry level workers, health care workers, teachers, child care workers, bank tellers, county employees, retail and service employees - all of those people on whom our community depends.

One of the benefits of a housing trust fund is its ability to respond to the changing housing needs of the community. The original goal of the Penny Fund was preservation of existing affordable units to ensure housing for all income levels in Fairfax County.

As the County looks to address future housing needs, the Penny Fund will be an important resource. Chairman Connolly has identified the Fund as a source of revenue for a plan to purchase foreclosed properties and resell them for households in need of workforce housing. The Ten Year Plan to End Homelessness will also look to the Penny Fund to provide funding for the Housing First plan.