



Preservation of Naturally Occurring Affordable Housing Fund

(P762201)

Category	Community Development and Housing	Date Last Modified	03/14/22
SubCategory	Housing (MCG)	Administering Agency	Housing & Community Affairs
Planning Area	Countywide	Status	Ongoing

EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY21	Est FY22	Total 6 Years	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	Beyond 6 Years
Land	40,000	-	5,000	35,000	20,000	15,000	-	-	-	-	-
TOTAL EXPENDITURES	40,000	-	5,000	35,000	20,000	15,000	-	-	-	-	-

FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY21	Est FY22	Total 6 Years	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	Beyond 6 Years
Current Revenue: General	40,000	-	5,000	35,000	20,000	15,000	-	-	-	-	-
TOTAL FUNDING SOURCES	40,000	-	5,000	35,000	20,000	15,000	-	-	-	-	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 23 Approp. Request	-	Year First Appropriation	FY22
Appropriation FY 24 Approp. Request	-	Last FY's Cost Estimate	-
Cumulative Appropriation	40,000		
Expenditure / Encumbrances	-		
Unencumbered Balance	40,000		

PROJECT DESCRIPTION

This project provides funding to preserve current naturally occurring affordable housing (NOAH) in areas at risk of rent escalation to higher market rents, including the Purple Line Corridor and other County transit corridors. The Fund will be used to provide capital to support acquisitions and preservation to ensure continued affordability of currently naturally occurring affordable housing. Price pressures in housing, particularly housing near transit corridors, have increased and will likely continue to increase due to housing demand.

The dedication of funding will increase the capacity of the County to assist affordable housing developers in acquisition of naturally occurring affordable housing. By focusing on the NOAH property market, this project will complement the County's existing funds for affordable housing.

PROJECT JUSTIFICATION

The County has over 25,000 unrestricted housing units affordable to households earning under 65% of area median income; however,

the 2000 Planning Department Preservation Study identified the risk of losing between 7,000 to 11,000 affordable housing units due to expected rent increases. As an example, the Purple Line Corridor Coalition analysis identified 6,500 affordable housing units within one mile of a Purple Line station where rents are expected to increase due to transit proximity. The dedication of County resources in the NOAH fund will support a focused effort to preserve these at-risk properties and will provide much needed additional capital to preserve and create affordable housing units.

OTHER

Resale or control period restrictions to ensure long-term affordability should be a part of projects funded with these monies.

FISCAL NOTE

Future loan repayments are expected and will be used to finance future housing activities in this project.
FY22 supplemental in Current Revenue: General for the amount of \$40,000,000.

COORDINATION

Housing Opportunities Commission, non-profit housing providers, and private sector developers.