

## **DRAFT WAG Contingency Plan for FY 2025**

### **Federal Funding Allocations for FY 2025**

Recommended allocations of FY 2025 CDBG, ESG and HOME funding (Federal Funding) and program income were based on estimates. If there is a 10 percent or greater difference between the estimated and actual CDBG, ESG and/or HOME funding awarded for FY 2025, the County's Board of Supervisors reserves the right to reconsider the proposed funding allocations. If there is less than a 10 percent difference between the estimated and actual funding awarded, Fairfax County will utilize the following contingency provision governing the use of the Federal Funds:

### **CDBG**

- A. If the actual CDBG funding amount is lower than the estimated funding, all CDBG-funded activities are proportionally decreased from the estimated funding levels to match the actual CDBG award amount, with the following exceptions:
- The Section 108 Loan Payment will remain as represented in the plan.
  - The total allocation for General Administration, Planning, Fair Housing, and Homeownership Administration will be capped at 20 percent of the CDBG award based on HUD limits.
  - The Targeted Public Services (CCFP TPS) allocation will be capped at 15 percent of the CDBG award based on HUD limits.
  - Funding allocations for Section 108 Loan, General Administration, Planning, Fair Housing, Homeownership Administration and CCFP TPS will be made prior to any proportional adjustments to the remaining CDBG-funded activities.
- B. If the actual CDBG funding amount is greater than the estimated funding, all CDBG-funded activities are to be funded as represented in the plan, with the following exceptions:
- The total allocation for General Administration, Planning, Fair Housing, and Homeownership Administration will be capped at 20 percent of the actual CDBG award.
  - The CCFP TPS allocation will be increased to an amount capped at 15 percent of the actual CDBG award.

- The unallocated balance of the CDBG funding available as a result of the funding increase will be allocated as follows:
  - 30 percent to the NOFA/RFP; and
  - 70 percent to FCRHA and Fairfax County Rehabilitation and Acquisitions

## **HOME**

- A. If the actual HOME funding amount is lower than the estimated funding, all HOME-funded activities are proportionally decreased from the estimated funding levels to match the actual HOME award amount, with the following exceptions:
- The total allocation for HOME Administration and Fair Housing will be capped at 10 percent of the HOME award based on HUD limits.
  - Federal regulations require that jurisdictions set-aside a minimum of 15 percent of the HOME award each year for Community Housing Development Organization (CHDO) investment. The CHDO set-aside will be 15 percent of the actual HOME award.
  - Funding allocations for HOME Administration, Fair Housing and CHDO will be made prior to any proportional adjustments to the remaining HOME funded activities.
- B. If the actual HOME funding amount is greater than the estimated funding, all HOME-funded activities will be funded as represented in the plan, with the following exceptions:
- The total allocation for HOME Administration and Fair Housing will be capped at 10 percent of the actual HOME award.
  - The CHDO set-aside will be 15 percent of the actual HOME award.
  - The unallocated balance of the HOME funding available as a result of the funding increase will be allocated to the NOFA/RFP.

## **ESG**

All ESG-funded activities are proportionally increased or decreased from the estimated funding levels to match the actual ESG award amount.

**Program Income Available for Use in FY 2025**

All Program Income received from activities funded with CDBG and/or HOME in excess of the estimates for FY 2025 is to be allocated as follows:

- Program Income (i.e., net operating income) received from FCRHA-owned properties that were acquired as part of the Affordable Dwelling Units (ADU) program will be allocated to FCRHA and Fairfax County Rehabilitations and Acquisitions.
- All excess CDBG Program Income will be allocated to FCRHA and Fairfax County Rehabilitations and Acquisitions or other priority program needs.
- All excess HOME Program Income will be allocated to the RFP.