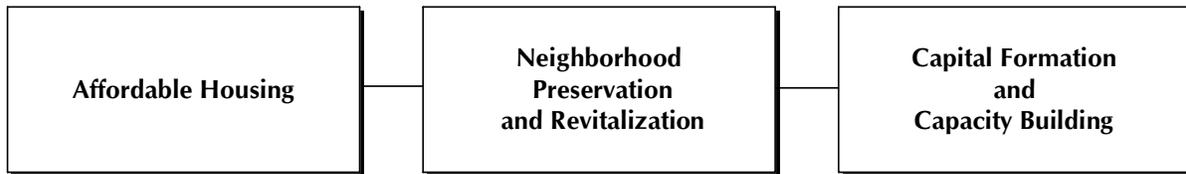


Housing and Community Development Program Overview



Introduction

The Housing Overview section describes the programs and projects operated by the Fairfax County Department of Housing and Community Development (HCD) and the multiple sources of funds that support these activities.

As a County agency, HCD undertakes many programs on behalf of the Board of Supervisors. HCD also serves as the administrative arm of the Fairfax County Redevelopment and Housing Authority (FCRHA), a separate legal entity that was established in 1966 pursuant to Chapter 1, Title 36 of the Code of Virginia. FCRHA's roles include planning, design, production, rehabilitation and maintenance of housing, for low- and moderate-income households, and assisting in the revitalization of neighborhoods in Fairfax County. Eleven Commissioners are appointed to the FCRHA for four-year terms by the Board of Supervisors. A chairman and vice-chairman are then selected by a vote of the commissioners.

The sources supporting HCD's operations include County funds, General Obligation Bonds, federal grants, private capital, revenue from program operations (e.g., developer fees, rent from tenants of housing owned by the FCRHA and income from repayment of loans) and, interest income. As a result of these multiple, complex funding streams, HCD has 20 funds. Some funds are appropriated by the Board of Supervisors, while others are allocated by the FCRHA. All are included in this budget in order to provide a complete financial overview. These 20 funds encompass all of the operations of HCD/FCRHA with the exception of several housing developments that are operated by outside management companies under contract with the FCRHA and/or are owned by the FCHRA in partnership with private investors. Separate financial records are maintained for these developments.

FY 2008 anticipated expenditures supporting the HCD and FCRHA activities total \$104,479,966 including \$9,485,924 in General Fund support, \$36,671,988 in other County appropriated funds, and \$58,322,054 in non-County appropriated funds. Total revenue for FY 2008 is anticipated to be \$105,148,932 as shown on the Consolidated Fund Statement. Receipts from federal/state sources are anticipated to be \$50,655,177, or 48 percent of total funding sources. More detailed descriptions of FY 2008 funding levels may be found in the narratives for each fund following this Overview.

Because HCD's programs are supported by multiple sources of funds, the Agency Mission and Focus, Program Goals, Key Accomplishments, FY 2008 Initiatives, and Performance Measures are consolidated in this Overview rather than appearing with each fund. Performance measures for FY 2008 are generally consistent with FY 2007 performance measures. These measures do not include statistics on the developments that are privately managed and/or owned by partnerships. In addition, it should be noted that the performance measures originally developed for FY 2006 did not include affordable housing preservation and the advent of The Penny for Affordable Housing Fund. This Overview also provides summary information on the organization, staffing and consolidated budget for HCD.

Housing and Community Development Program Overview

Mission

To preserve and increase opportunities for affordable housing in Fairfax County based on need, community priorities and the policy of the Board of Supervisors and the FCHRA. Driven by a community vision, to lead efforts to revitalize older areas of Fairfax County, to spur private reinvestment, maximize existing infrastructure and public investment, reverse negative perceptions, and create employment opportunities.

Focus

HCD connects with the residents of Fairfax County at their roots – home, neighborhood and community. All HCD programs, activities and services revolve around this important link and can be grouped in three service areas: **Affordable Housing, Neighborhood Preservation and Revitalization**, and **Capital Formation and Capacity Building**.

Affordable Housing supports individuals and families in their effort to find homes that are safe, affordable, and stable.

Neighborhood Preservation and Revitalization focuses on preserving and improving neighborhoods. In addition, HCD links residential and commercial neighbors to revitalize the entire community and bring new vitality to aging areas.

Capital Formation and Capacity Building focuses on development of partnerships with private investors and other public agencies resulting in capital investment and financial support for the HCD and FCRHA mission.

These service areas encompass all of the activities of the 20 HCD funds. The total FY 2008 Adopted Budget Plan of \$104.5 million can be distributed to these service areas and the general costs of running the department. It should be noted that many of the functional areas of HCD cross these service areas, so an exact allocation to the service areas is not possible. The FY 2008 Adopted Budget Plan is \$63.6 million less than the *FY 2007 Revised Budget Plan* due to previously allocated balances that have been carried over into FY 2007 to allow for continuation of the capital projects.

Highlighted below are the main functions included in each of the service areas. Additional information concerning the goals, accomplishments and key initiatives in each of these areas can be found after this summary.

THINKING STRATEGICALLY

Strategic issues for the department include:

- Fulfilling its purpose of providing opportunities for affordable housing and economic vitality in thriving diverse communities;
- Generating resources through the identification of new resources, new capital and new partnerships to support and enhance programs that serve the missions of HCD and the FCRHA;
- Producing, retaining, acquiring and restoring quality affordable residences, neighborhoods and communities;
- Ensuring the efficient management and maintenance of affordable housing in FCRHA programs in a manner consistent with or exceeding community standards;
- Providing opportunities to preserve, restore and improve the economic vitality of affordable residential neighborhoods and commercial neighborhoods; and
- Promoting the planning and implementation of technological innovations in HCD.

Housing and Community Development Program Overview

Affordable Housing:

Affordable Housing Preservation

As of April 20, 2007, a total of 1,364 affordable units have been preserved for both homeownership and rental purposes in a variety of large and small projects via FCRHA acquisitions and financing, and negotiated agreements. Of that number, 252 units are preserved as affordable housing for periods of five years or less, and 1,112 units are preserved for 20 years or longer. The FCRHA's major affordable housing preservation successes include Janna Lee Village, 319 units (Lee District); Madison Ridge, 216 units (Sully District); Crescent Apartments, 180 units (Hunter Mill District); Sunset Park Apartments, 90 units (Mason District); and, Hollybrooke II, 98 units and Hollybrooke III, 50 units (Mason District).

First-Time Homebuyers Program and Moderate Income Direct Sales Program

This function offers new and resale homes at below market prices. These homes are built by private developers and are located within neighborhoods throughout the County. HCD markets the homes and, in most cases, provides financing assistance to first-time homebuyers. In FY 2006, a total of 92 families purchased homes via the Fairfax County First-Time Homebuyers program. Through FY 2006, 1,649 homes have been sold to first-time homebuyers as a result of these programs.

Below-Market Mortgages and Down-payment and Closing Costs Loans

The Homeownership branch facilitated the administration of \$15,391,241 of below market mortgage funds in FY 2006. This included 69 loans to families through the Virginia Housing Development Authority's (VHDA) SPARC first-trust mortgage program, 61 loans through the VHDA HOME STRIDE below-market second trust, and 5 loans totaling \$47,700 in federal American Dream Down-payment Initiative (ADDI) funds.

Homeownership Resource Center

The Homeownership Resource Center, located on the first floor of the FCRHA headquarters building on Pender Drive (Providence District) serves approximately 600 persons per month and provides information on homeownership, homeownership education, one-on-one and group counseling sessions, opportunities to meet with lenders, required applicant briefings, and coordination of resources for current and prospective first-time homebuyers. In FY 2006, the Homeownership Resource Center responded to over 6,000 telephone calls and nearly 2,000 walk-in clients.

Homeownership Education

Through a partnership with VHDA, local lenders and housing professionals, six-hour homeownership education classes were provided to potential Fairfax County homebuyers in FY 2006. Completion of the class qualifies graduates to participate in the First-Time Homebuyers Program and the ability to access below-market financing, down payment and closing cost assistance. Classes have been offered in English, Spanish, Vietnamese, Korean, and American Sign Language. During FY 2006, the Fairfax County First-Time Homebuyers Program conducted 21 orientation sessions serving 1,968 attendees, and 41 application sessions serving 342 attendees. Thirty VHDA homebuyer classes were held, serving over 750 participants. In addition, first-time homebuyers learn about maintaining their home and their responsibilities as homeowners living within their community. In FY 2006, post-purchase education and counseling was provided in three developments that housed 116 households and 24 recent Housing Choice Voucher homebuyers.

Foreclosure Prevention

Affordable housing units were preserved by the FCRHA intervention to stop foreclosures, which would have extinguished the affordability covenants.

Compliance Monitoring

Compliance monitoring continues on over 1,400 First-Time Homebuyer properties and Housing Choice Voucher Homeownership voucher participants, as well as the Employee Homeownership Assistance Program and the Down Payment and Closing Cost Assistance program loans. The goal of compliance monitoring is to ensure that participants are utilizing housing programs in accordance with governing local, state, and federal rules and regulations.

Housing and Community Development Program Overview

FCRHA Rental Housing

This function provides housing with rents commensurate with income. It includes properties under the Fairfax County Rental Program (FCRP) for those with modest means, as well as properties owned by limited partnerships affiliated with the FCRHA. In addition, it encompasses properties under the Fairfax County Public Housing Program and rental subsidies under the Fairfax County Housing Choice Voucher Program for those with very low incomes. These resources provide housing for nearly 5,800 low-and moderate-income households.

FCRHA Development Activities

HCD, in conjunction with the FCRHA, facilitates the development of affordable housing by non-profit and for-profit developers through incentives and financing. HCD and FCRHA also build and own housing for low-and moderate-income families and individuals, and households with special needs. In addition, FCRHA partners with private investors, through limited partnerships, to develop and operate affordable housing.

Senior Housing and Assisted Living

This activity provides 408 affordable independent living rental apartments in Fairfax, Herndon, Springfield, Lincolnia, in McLean and the Mount Vernon/Gum Springs areas of Fairfax County, and 112 beds of assisted living at Braddock Glen in Fairfax and at The Lincolnian in Alexandria (Fairfax County).

Relocation Monitoring for Federally Funded Projects

This program provides technical assistance and monitoring for preservation initiatives. This activity also includes relocation services for all federally-funded projects throughout the agency. Staff conducted 128 relocation reviews to support appropriate spending of CDBG and HOME funds in FY 2006.

Relocation Advisory Services for Condominium Conversion

These services provide technical assistance to developers under both the Fairfax County Relocation Guidelines and [Fairfax County Code](#) for projects where there is substantial rehabilitation and condominium conversion. Technical assistance under the federally mandated Uniform Relocation Act is provided if federal funds are involved in the project.

Affordable/Workforce Housing

This initiative is based on the recommendation of the Preservation Action Committee, a resident task force appointed by the Board of Supervisors, to address the loss of affordable/workforce housing in the County. Strategies include providing incentives to owners of affordable units and financing projects which preserve affordable housing. The Board of Supervisors has dedicated revenue equivalent to the value of one penny on the Real Estate Tax for this purpose in Fund 319, The Penny for Affordable Housing Fund.

Neighborhood Preservation and Revitalization:

Fairfax County Revitalization Activities

These activities focus on overseeing preparation and implementation of revitalization strategies in seven designated commercial revitalization areas. They involve planning for a community vision and sense of place, design and creative approaches to redevelopment, marketing of local business, and attracting private development and investment.

Home Improvement Loan Program and Home Repair for the Elderly

These activities provide loans to homeowners and some landlords to fix up their properties. In addition, there is a crew to assist qualified elderly homeowners in making minor repairs at no charge. In FY 2006, over \$457,000 was lent to homeowners for repairs and improvements to their property and 98 qualified disabled or elderly homeowners received free repairs.

Neighborhood Improvements

This activity is targeted at preservation and improvement in residential neighborhoods designated under the Community Improvement Program and in designated Conservation and Redevelopment areas. Following a community planning process and adoption of plans, the program also focuses on improvements to street, sidewalk, storm drainage and other infrastructure designed and constructed in conjunction with the Department of Public Works and Environmental Services (DPWES).

Housing and Community Development Program Overview

Blight Abatement

This activity addresses resident concerns about specific properties which are abandoned, dilapidated or otherwise unsafe. Efforts are made to encourage property owners to abate identified blight. If these efforts fail, the County may take direct action to repair or demolish the property. During FY 2006, HCD facilitated the abatement or remediation of 39 properties deemed to be blighted throughout the County.

Capital Formation and Capacity Building:

Funding Opportunities

This activity focuses on identifying and applying for available funding opportunities to leverage and supplement County funds for projects and programs. It includes federal entitlement grants such as Community Development Block Grant (CDBG) and HOME Investment Partnership Grant (HOME), other federal, state and local grants and loans, and private financing.

Partnering

This activity links the FCRHA financing abilities with those of the private sector (non-profit and for-profit) to generate additional financial resources. Non-profit corporations or limited liability corporations (LLC) formed by the FCRHA partner with private investors benefit from Federal Low Income Housing Tax Credits to fund FCRHA affordable housing for families and seniors. In addition, FCRHA issues revenue bonds to raise funds from private investors to fund affordable housing and community facilities.

Consolidated Plan/Consolidated Community Funding Advisory Committee (CCFAC)

HCD provides leadership in developing and implementing the County's annual Consolidated Plan in conjunction with the CCFAC, a residents' committee. The Consolidated Plan is the required annual application for several entitlement grants to the County from the U.S. Department of Housing and Urban Development (HUD), which provided about \$10 million for local housing and community development programs in FY 2007.

Human Services

This activity provides resources to the County's non-profit partners through the Consolidated Community Funding Pool (CCFP) for critical human services such as youth programs, housing support services, and services targeted toward the County's immigrant population. A significant portion of the funding comes from CDBG, administered by HCD, which also supports CCFP planning and administers contract awards. CCFP will provide approximately \$10.8 million in total funding for these services in FY 2008.

FY 2008 Funding Adjustments

The following funding adjustments from the FY 2007 Revised Budget Plan are necessary to support the FY 2008 program:

- ◆ Refer to specific Department of Housing and Community Development fund budgets in Volume 2 for FY 2008 funding adjustments.

Changes to FY 2007 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2007 Revised Budget Plan since passage of the FY 2007 Adopted Budget Plan. Included are all adjustments made through April 23, 2007 as part of the FY 2006 Carryover Review and the FY 2007 Third Quarter Review:

- ◆ Refer to specific Department of Housing and Community Development fund budgets in Volume 2 for changes to the FY 2007 Adopted Budget Plan.

Housing and Community Development Program Overview

Affordable Housing Service Area

Goal

To implement the Board of Supervisors' Affordable Housing Goal that "opportunities should be available to all who live or work in Fairfax County to purchase or rent safe, decent, affordable housing within their means." This goal will be achieved through providing development, technical assistance, and financing services in conjunction with the FCRHA and both for- and non-profit community partners; managing and maintaining quality affordable rental housing; administering rental housing subsidies in accordance with federal regulations and local policies; and providing homeownership opportunities to eligible households.

New Initiatives and Recent Accomplishments in Support of the Fairfax County Vision*

|  Maintaining Safe and Caring Communities | Recent Success | FY 2008 Initiative | Fund |
|---|----------------|--------------------|-------------|
| Continue to implement strategies to address the loss of affordable/workforce housing in the County, including providing incentives to owners of affordable units and financing projects which preserve affordable housing. Ensure preservation of existing ADU's through the aggressive pursuit of over-financing and foreclosure prevention techniques. Pursue strategies to serve more individuals and families earning 50 percent or less of the Area Median Income and persons with disabilities. | ☑ | ☑ | 144,319 |
| Convert 46 FCRHA Public Housing units at Audubon to single resident occupancy (SRO) housing. In partnership with the Community Services Board, assist with voluntary moves of seniors to senior-friendly properties through voucher assistance. (Lee District) | | ☑ | 144,969,966 |
| Work with members of the Yorkville Cooperative to pursue the acquisition and preservation of 237 affordable units by the FCRHA. (Providence District) | | ☑ | 144,319 |
| Provided post-purchase education and counseling in three developments, including 116 households plus 24 recent Housing Choice Voucher homebuyers. | ☑ | | 143,966 |
| Provided technical assistance in relocation reviews of 128 projects using CDBG and HOME funds. | ☑ | | 142,145 |
| Administered a Housing Choice Voucher Homeownership pilot program for 25 households and recommended revisions for the future expansion of the program. | ☑ | | 142,145,966 |
| Updated Fairfax County Relocation Guidelines. | ☑ | | 142 |
| Provide rehabilitation grants for Affordable Dwelling Units and Moderate Income Direct Sales properties. | | ☑ | 145 |
| Continue to implement two major workflow projects and technological support (Yardi) aimed at improving effectiveness and efficiency in the Housing Choice Voucher (HCV), Public Housing, and FCRP programs. | ☑ | ☑ | 941,966,967 |

Housing and Community Development Program Overview

|  Maintaining Safe and Caring Communities | Recent Success | FY 2008 Initiative | Fund |
|---|-----------------------|---------------------------|-----------------------------|
| Continue to improve the property security audit program through greater involvement and coordination with residents, managers, and the Property Improvement and Maintenance Division. | ☑ | ☑ | 941, 967 |
| Provided emergency time-sensitive assistance and housing counseling to Hurricane Katrina evacuees relocated to Fairfax County through FCRHA rental assistance programs (HOME, Housing Choice Voucher, Public Housing, and the Fairfax County Rental Program). | ☑ | | 145, 941, 966, 967 |
| Continue to explore new funding sources to increase and expand services to provide flexibility to respond to emergencies. For example, in FY 2006, HCD used Tenant-Based Rental Assistance (TBRA) funds to help house Hurricane Katrina evacuees, in addition to FCRHA-established programs. | ☑ | ☑ | 145 |
| Continue to upgrade property security and monitoring systems and enhance security resources. Recent successes include Old Mill Gardens, Murraygate, and Audubon. | ☑ | ☑ | 967 |
| Provided construction technical services to a nonprofit for the preservation of Island Walk. | ☑ | | 144 |
| Continue predevelopment efforts to support the construction of 90 units of Senior Independent Living and associated site improvements at Olley Glen (formerly Little River Glen III). (Braddock District) | | ☑ | 340, 948, TBD |
| Completed construction of Braddock Glen (formerly Little River Glen II), which consists of 60 units of Assisted Living Facility, on the Little River Glen Campus. (Braddock District) | ☑ | | 144, 948 |
| Construct the Lewinsville Senior Complex which includes: 1) a new 59,000 square foot building containing 60 beds of Assisted Living; 2) a commercial kitchen and dining facility; 3) a wing to include 22 units of Independent Living; 4) renovation of the existing 38,000 square foot building to accommodate up to 80 seniors in an expanded Senior Center, two adult day health care centers to serve up to 40 seniors each, two child day care facilities with upgraded playgrounds to serve approximately 200 children, and site improvements to improve parking, lighting and landscaping; and 5) providing associated road improvements. (Dranesville District) | | ☑ | TBD |
| Continue to provide financing and consultation to the District Home in development of Birmingham Green, an affordable assisted living facility that is adjacent to the existing nursing home previously developed by the FCRHA. | ☑ | ☑ | 145 |
| Continue to expand the Magnet Housing program, including construction of Glenwood Mews townhouses (15 units of Magnet Housing) and predevelopment of West Ox Road project (approximately 30 units of Magnet Housing plus on-site training facility). | ☑ | ☑ | 948 |

Housing and Community Development Program Overview

|  Maintaining Safe and Caring Communities | Recent Success | FY 2008 Initiative | Fund |
|--|-----------------------|---------------------------|-------------|
| Provided technical assistance to a County task force responsible for developing Single Room Occupancy (SRO) housing in Fairfax County. Continue to design and develop 12 units of "Housing First" Single Room Occupancy (SRO) housing with supportive services potentially on County-owned land and identify opportunities to replicate SRO model. | ☑ | ☑ | 144 |
| As part of the County's initiative to end homelessness in 10 years, continue a Partnership for Permanent Housing program, which provides Tenant-Based Rental Assistance (TBRA) funds to move up to 25 homeless families from the County's shelters and transitional housing into stable affordable rental housing, and eventually to homeownership. | ☑ | ☑ | 145 |
| Continue to assist low-income first-time homebuyers through the Home Equity Loan Program (HELP) to close the gap between an affordable first mortgage and the sales price of a market rate home in the County. HELP participants receive up to \$91,767 in homebuyer assistance; up to \$21,767 in down payment/closing cost assistance and up to \$70,000 in a second mortgage. | ☑ | ☑ | 142, 145 |
|  Building Livable Spaces | Recent Success | FY 2008 Initiative | Fund |
| Encourage public/private partnerships for the development of workforce and affordable housing on County-owned land. | | ☑ | 319 |
| Purchased the 180-unit Crescent Apartment complex on 16.5 acres in Reston to preserve affordable rental units for lower-income families in the County. Continue to evaluate the potential for additional development on the site, in coordination with the Lake Anne revitalization area. | ☑ | ☑ | 319 |
| Continue to leverage federal and state funds for low- and moderate-income homeownership in Fairfax County. Total leveraged in FY 2006 was \$15,391,241. | ☑ | ☑ | 142 |
| Continue to provide opportunities for families to purchase their first home. In FY 2006, 92 low- and moderate-income families purchased homes using the Fairfax County First-Time Homebuyer Program. | ☑ | ☑ | 142 |
| Continue to use American Dream Down Payment Initiative Program funds to assist first-time homebuyers. | ☑ | ☑ | 142, 145 |
| Continue operation of the Homeownership Resource Center to assist low- and moderate-income households who are interested in becoming homeowners. In FY 2006, the Center served nearly 2,000 walk-ins and over 6,100 telephone inquiries. | ☑ | ☑ | 142 |
| Implemented accessibility and senior housing priorities for newly available accessible First Time Homebuyer units. | ☑ | | 142 |
| Explore lease to purchase options for FCRHA tenants. | | ☑ | 145 |

Housing and Community Development Program Overview

|  Building Livable Spaces | Recent Success | FY 2008 Initiative | Fund |
|---|-----------------------|---------------------------|---------------------|
| Completed renovations of 34 FCRP units and 112 Public Housing units in FY 2006 to ensure that DCHD properties provide a safe and decent living environment for tenants. | ☑ | | 969 |
| Rehabilitate and modernize 154 units of Public Housing at the Kingsley Park (Providence District) and Audubon (Lee District) properties in FY 2008. | | ☑ | 967, 969 |
|  Connecting People and Places | Recent Success | FY 2008 Initiative | Fund |
| Continue to provide innovative, residential support services to disabled Fairfax County residents participating in the Housing Choice Voucher and Public Housing programs in partnership with a local non-profit, Psychiatric Rehabilitation Services. Services are made possible through a HUD Resident Opportunity and Supportive Services Grant. | ☑ | ☑ | 965, 967 |
| Continue to be recognized as a HUD High Performer for HCD's performance in the Housing Choice Voucher (HCV) program under the Section 8 Management Assessment Program (SEMAP). | ☑ | ☑ | 966 |
| Continue to be recognized as a HUD High Performer for HCD's performance in the Public Housing Program under the Public Housing Assessment Program (PHAS). | ☑ | ☑ | 967 |
| Continue to maintain 95 percent or better funding utilization in the Housing Choice Voucher Program. | ☑ | ☑ | 966 |
| Initiate a Magnet Housing partnership with INOVA Health Care to provide affordable housing close to hospitals for nursing program students. | | ☑ | 144 |
| Implement a Language Access Initiative to provide information on FCRHA rental assistance programs (Housing Choice Voucher, Public Housing, and Fairfax County Rental Program) to households where English is not the primary language and the ability to read, write and understand English is limited. | | ☑ | 941, 966, 967 |
| Continue to increase size and scope of the Family Self-Sufficiency program as HUD funding becomes available. | ☑ | ☑ | 966, 967 |
| Updated the HUD Annual Plan for Public Housing to include the resident survey follow-up plan and continue to solicit recommendations from the community, the FCRHA, and the Resident Advisory Council on Plan revisions. | ☑ | ☑ | 966, 967 |
| Completed construction for Southgate Community Center. (Hunter Mil District) | ☑ | | 340, 948 |

* A complete listing and description of the Department of Housing and Community Development (HCD) funds may be found at the end of the HCD Program Overview.

Housing and Community Development Program Overview

Key Performance Measures

Public Housing

Objectives

- ◆ To obtain a Public Housing Assessment System (PHAS) rating of 85 percent or better on a 100-point scale in the categories of vacant unit turnaround time, capital fund administration, work order completion, security, unit inspections, self-sufficiency and resident satisfaction.

| Indicator | Prior Year Actuals | | | Current Estimate | Future Estimate |
|-------------------------|--------------------|----------------|-------------------------|------------------|-----------------|
| | FY 2004 Actual | FY 2005 Actual | FY 2006 Estimate/Actual | FY 2007 | FY 2008 |
| Output: | | | | | |
| Clients housed (1) | 2,940 | 3,165 | 3,136 / 2,933 | 2,940 | 2,940 |
| Efficiency: | | | | | |
| Cost per client (2) (3) | \$2,184 | \$2,037 | \$2,085 / \$2,131 | \$2,293 | \$2,293 |
| Service Quality: | | | | | |
| Occupancy rate | 99% | 99% | 99% / 99% | 96% | 96% |
| Outcome: | | | | | |
| HUD's PHAS rating (4) | 97% | 97% | 93% / NA | 85% | 85% |

(1) In FY 2006, the average size of households served by public housing decreased to 2.8 persons/household from 3.0 persons/household in 2005.

(2) Since the average size of households served decreased, the price per client increased in FY 2006.

(3) Efficiency indicators being redeveloped for FY 2008.

(4) This rating covers the fiscal year and is awarded within six months at the end of the fiscal year. A PHAS rating above 90 percent earns the FCRHA a rating of "High Performer."

Performance Measurement Results

In FY 2006, the Public Housing program continued to provide high quality housing to nearly 3,000 Fairfax County residents and maintained a high occupancy rate of 99 percent at the properties. Agency indicators in nearly every area of the Public Housing Assessment System (PHAS) are rated very highly, resulting in an overall PHAS rating of 97 percent in FY 2005, the most recent assessment awarded. The cost per client in FY 2006 increased only slightly over the FY 2005 cost, but still remained below FY 2004 costs. In FY 2006, the average size of households served by public housing decreased to 2.8 persons per household, from 3.0 persons per household in FY 2005, causing the increase in cost per client. This is due in part to an increase in the number of reasonable accommodations for live-in aides and/or additional bedrooms for necessary medical devices, which also results in less rental revenue being collected for these units.

Housing and Community Development Program Overview

Fairfax County Rental Program (FCRP)

Objectives

- ◆ To obtain a Program Assessment rating of 85 percent or better on a 100-point scale in the categories of vacant unit turnaround time, work order completion, security, unit inspections, self-sufficiency and resident satisfaction.

| Indicator | Prior Year Actuals | | | Current Estimate | Future Estimate |
|----------------------------|--------------------|----------------|-------------------------|------------------|-----------------|
| | FY 2004 Actual | FY 2005 Actual | FY 2006 Estimate/Actual | FY 2007 | FY 2008 |
| Output: | | | | | |
| Clients housed (1) | 1,494 | 1,378 | 1,437 / 1,355 | 1,355 | 1,355 |
| Efficiency: | | | | | |
| Cost per client (2) (3) | \$2,000 | \$1,985 | \$1,959 / \$2,248 | \$2,380 | \$2,380 |
| Service Quality: | | | | | |
| Occupancy rate | 98.9% | 99.0% | 98.0% / 98.8% | 96.0% | 96.0% |
| Outcome: | | | | | |
| FCRP assessment rating (4) | 86% | 78% | 86% / 88% | 85% | 85% |

(1) Number reflects a decrease in average household size from 2.4 persons/household in 2005 to 2.2 persons/household in 2006.

(2) Data also includes some operating costs for new units that were not fully online throughout the fiscal year. For existing units, data includes increases in homeowner association fees (over which the FCRHA has no control), as well as an increase in maintenance costs for upgrade of aging FCRP housing stock.

(3) Efficiency indicator being redeveloped for FY 2008.

(4) This assessment is applied to units which are managed by the FCRHA. The FCRHA did not include units that are privately managed. In order to do so, the performance indicators will need to be changed to accurately track the information.

Performance Measurement Results

In FY 2006, 88 percent of the residents residing in FCRP properties indicated that they were satisfied or very satisfied with the FCRP program. Occupancy remained at 98.8 percent. Despite the fact that there was some program growth due to additional ADU/FCRP units purchased by the FCRHA, the cost per client increased and the number of clients housed decreased due to the decrease in the average household size served by the program. The average FCRP household size decreased from 2.4 persons in FY 2005 to 2.2 persons in FY 2006. This is due in part to an increase in the number of reasonable accommodations for live-in aides and/or additional bedrooms for necessary medical devices, which also results in less rental revenue being collected for these units.

Housing and Community Development Program Overview

Section 8

Objectives

- ◆ To obtain a Section 8 Management Assessment rating of 85 percent or better on a 100-point scale in the categories of timeliness and quality of inspections, rent calculations, lease-ups and contract enforcement, as well as in nine other areas specified by HUD.

| Indicator | Prior Year Actuals | | | Current Estimate | Future Estimate |
|-------------------------|--------------------|----------------|-------------------------|------------------|-----------------|
| | FY 2004 Actual | FY 2005 Actual | FY 2006 Estimate/Actual | FY 2007 | FY 2008 |
| Output: | | | | | |
| Clients housed | 10,185 | 10,140 | 10,123 / 8,676 | 8,665 | 8,665 |
| Efficiency: | | | | | |
| Cost per client (1) | \$3,485 | \$3,985 | \$3,973 / \$4,594 | \$4,865 | \$4,865 |
| Service Quality: | | | | | |
| Utilization rate | 98% | 99% | 95% / 96% | 95% | 95% |
| Outcome: | | | | | |
| SEMAP rating | 93% | 93% | 92% / 86% | 85% | 85% |

(1) Efficiency indicator being redeveloped for FY 2008.

Performance Measurement Results

HUD changed its Housing Choice Voucher funding methodology from the number of vouchers available to budget authority. As a result, an increase in the average rents as well as an increase in payment standards from 90 percent of the Fair Market Rent (FMR) to 100 percent FMR increased the amount of subsidy per client. This caused a decrease in the number of clients able to be served within the HUD budget authority provided.

Elderly Housing Programs

Objectives

- ◆ To accurately track the cost of subsidized assisted living for a 52-bed facility.

| Indicator | Prior Year Actuals | | | Current Estimate | Future Estimate |
|--------------------------------|--------------------|----------------|-------------------------|------------------|-----------------|
| | FY 2004 Actual | FY 2005 Actual | FY 2006 Estimate/Actual | FY 2007 | FY 2008 |
| Output: | | | | | |
| Clients housed | 52 | 52 | 52 / 52 | 52 | 52 |
| Efficiency: | | | | | |
| Cost per client (1) | \$29,012 | \$29,534 | \$29,012 / \$26,176 | \$24,104 | \$26,514 |
| Service Quality: | | | | | |
| Occupancy rate | 98% | 96% | 98% / 98% | 96% | 96% |
| Outcome: | | | | | |
| Elderly program assessment (2) | NA | NA | NA / NA | NA | NA |

(1) Efficiency indicator being redeveloped for FY 2008.

(2) Currently working on a relevant elderly program assessment tool for the assisted living facility.

Housing and Community Development Program Overview

Performance Measurement Results

This performance measure addresses performance of one assisted living development with 52 beds/units. New performance measures are being developed during FY 2007, which will more accurately capture the performance of all senior housing properties owned by the Fairfax County Redevelopment and Housing Authority; therefore, no targets have been set using current indicators.

Homeownership

Objectives

- ◆ To obtain a Program Assessment rating of 95 percent or better on indicators addressing sales rate, foreclosures and rate of participation.

| Indicator | Prior Year Actuals | | | Current Estimate | Future Estimate |
|--|--------------------|----------------|-------------------------|------------------|-----------------|
| | FY 2004 Actual | FY 2005 Actual | FY 2006 Estimate/Actual | FY 2007 | FY 2008 |
| Output: | | | | | |
| First-time homebuyers | 97 | 114 | 120 / 92 | 100 | 100 |
| Efficiency: | | | | | |
| Cost per new homeowner | \$1,664 | \$1,838 | \$1,838 / \$2,337 | \$2,000 | \$2,100 |
| Service Quality: | | | | | |
| Participant satisfaction survey scores | 99% | 95% | 95% / 95% | 95% | 95% |
| Outcome: | | | | | |
| Assessment rating | 99% | 95% | 95% / 95% | 95% | 95% |

Performance Measurement Results

The number of new and resale units varies from year to year, due to a variety of factors such as real estate market conditions and the economy, which are outside HCD's control. The pace of real estate development in the County determines the timing of the production of affordable dwelling units (ADUS) within new residential developments. In FY 2006, 92 first time homebuyers achieved homeownership utilizing HCD programs, which is less than the FY 2006 estimate of 120. In FY 2006, the service delivery satisfaction rate was 95 percent, the same level as the FY 2005 rate.

Housing and Community Development Program Overview

Neighborhood Preservation and Revitalization Service Area

Goal

To provide opportunities to preserve, restore and improve the economic vitality of affordable residential neighborhoods and commercial service areas.

New Initiatives and Recent Accomplishments in Support of the Fairfax County Vision *

|  Maintaining Safe and Caring Communities | Recent Success | FY 2008 Initiative | Fund |
|--|-----------------------|---------------------------|-------------|
| Continue the neighborhood improvement program in the Jefferson Manor Conservation Area and ongoing activities associated with neighborhood improvement projects in Bailey's Crossroads, Fairhaven, Gum Springs and James Lee. | ✓ | ✓ | 144, 340 |
| Improved 98 residences through the Home Repair for the Elderly Housing Program. | ✓ | | 142 |
| Received 67 applications and made 10 loans in FY 2006 for the Home Improvement Loan Program (HILP). Anticipate making 25 HILP loans in FY 2008. | ✓ | ✓ | 142 |
| Remediated or abated 39 blighted properties in FY 2006 through voluntary compliance by property owners. | ✓ | | 340 |
| Provide "fast track" of reported blight cases to enhance ability to facilitate abatement. | | ✓ | 340, 940 |
|  Building Livable Spaces | Recent Success | FY 2008 Initiative | Fund |
| Implement a façade improvement program for the Annandale Commercial Business Center. | | ✓ | 340 |
| In FY 2006, the FCRHA approved \$600,000 for streetscape improvements and another \$500,000 was leveraged using 1998 bond funds. | ✓ | | |
| Determine feasibility of a multi-cultural center for the Annandale Town Center, including land acquisition/design and predevelopment activities. (Mason District) | | ✓ | TBD |
| Completed a development study of revitalization concepts and implementation strategies for the southeast quadrant of Bailey's Crossroads/Seven Corners Commercial Revitalization District | ✓ | | 340 |
| Create plans for detailed streetscape improvements within the Merrifield Suburban Center along the east side of Gallows Rd. between Providence Forest Dr. and Prescott Dr. Streetscape standards will include hardscape and landscape amenities. | | ✓ | 340 |
| Purchased site for parkland in the Merrifield Town Center. (Urban Park) | ✓ | | 340 |

Housing and Community Development Program Overview

|  Building Livable Spaces | Recent Success | FY 2008 Initiative | Fund |
|---|-----------------------|---------------------------|-------------|
| Completed consulting services for an Economic Analysis of the Lake Anne Village Center along with community focus groups and charrette. | ☑ | | 340 |
| Completed several projects and continue to revitalize the Richmond Highway Corridor, including façade improvements for five businesses with the allocation of \$250,000 to the program, over \$750 million in mixed use real estate developments, and an Urban Land Institute (ULI) Technical Assistance Panel initiative. | ☑ | | 142, 340 |
| Continue to facilitate special exception application for "Midtown Springfield" a 9-acre site being developed by a private developer (formerly Commerce Street). The project is valued at approximately \$500 million, and is expected to produce 100,000 square feet of commercial/retail space; 40,000 feet of office space, and about 800 condominium units. | ☑ | ☑ | 340 |
| Continue to advise and assist the owner of the Springfield Mall in their interest in pursuing Community Development Authority/Tax Increment Financing (CDA/TIF) financing, and in examining other financial tools and incentives that might be considered. While not part of the designated Springfield Commercial Revitalization District, the mall property is central to the success of the community's overall revitalization efforts. (Lee District) | ☑ | ☑ | 340 |
|  Connecting People and Places | Recent Success | FY 2008 Initiative | Fund |
| Created and published a solicited Public-Private Education Facilities and Infrastructure Act (PPEA) for 1,000-space park and ride facility with potential of a mixed used development in the Springfield Commercial Revitalization District. | ☑ | | 340 |
| Assisted the Annandale Commercial Revitalization Committee to submit extensive Annual Plan Review (APR) nomination to fundamentally change the comprehensive plan for the Annandale Commercial Revitalization District. | ☑ | | 340 |
| Funded \$1,250,000 in Investing in Communities Program projects (ICP), including \$150,000 in wayfaring signage for five revitalization areas - Bailey's Crossroads, Annandale, Springfield, Lake Anne, and Richmond Highway (Mason, Lee, Mount Vernon, and Hunter Mill Districts). | ☑ | | 142 |

* A complete listing and description of the Department of Housing and Community Development (HCD) funds may be found at the end of the HCD Program Overview.

Housing and Community Development Program Overview

Key Performance Measures

Neighborhood Preservation

Objectives

- ◆ To preserve 1,000 units of affordable housing by the end of calendar year 2007 and to leverage each County "The Penny for Affordable Housing Fund" and Housing Trust Fund dollar with \$3 in non-County resources.
- ◆ To leverage and/or obtain \$13 in additional funds per \$1 of County funds for affordable housing, housing preservation, neighborhood improvement, and public service and to improve County residential properties utilizing the Blight Abatement Program, Home Improvement Loan Program, Home Repair for the Elderly, and the Neighborhood Improvement Program.

| Indicator | Prior Year Actuals | | | Current Estimate | Future Estimate |
|---|--------------------|----------------|-------------------------|------------------|-----------------|
| | FY 2004 Actual | FY 2005 Actual | FY 2006 Estimate/Actual | FY 2007 | FY 2008 |
| Output: | | | | | |
| Affordable housing units preserved | 114 | 186 | NA / 581 | 275 | 275 |
| Properties improved and enhanced | NA | 311 | 310 / 257 | 273 | 287 |
| Efficiency: | | | | | |
| General County funds per affordable housing unit preserved | NA | NA | NA / \$37,750 | \$78,736 | \$52,444 |
| General County funds per property improved or enhanced (1) | NA | \$525 | \$525 / \$396 | \$1,630 | \$391 |
| Service Quality: | | | | | |
| Funds leveraged per \$1 of County funds for units preserved (2) | NA | NA | NA / \$3 | \$3 | \$3 |
| Leveraged funds per \$1 of County funds | NA | \$13 | \$13 / \$18 | \$13 | \$13 |
| Outcome: | | | | | |
| Cumulative number of affordable units preserved since April 2004 | 114 | 300 | NA / 881 | 1,156 | 1,431 |
| Cumulative number of properties improved or enhanced since 2000 through County programs | NA | 311 | 620 / 568 | 841 | 1,128 |

(1) Note that the increase in County funds expended per property in FY 2007 is due to the use of County resources via HILP to assist victims of the Huntington flooding.

(2) The \$3:\$1 ratio includes both The Penny for Affordable Housing Fund (Fund 319) and Housing Trust Fund (Fund 144) dollars. The average leveraging ratio for The Penny for Affordable Housing Fund dollars in FY 2006 was \$4.26:\$1.

Housing and Community Development Program Overview

Performance Measurement Results

In FY 2006, a total of 581 affordable units were preserved via the Fairfax County Redevelopment and Housing Authority's (FCRHA) acquisition, financing, and/or negotiated agreements. Of the 581 units preserved, 494 were acquired or financed using The Penny for Affordable Housing Fund (Fund 319). In FY 2006, 99.2 percent of these funds were either spent or encumbered by Board action (95.1 percent spent, 4.1 percent encumbered). For every County dollar expended, a minimum of \$3 was leveraged. This performance measure is new for the FY 2008 budget and reflects the Board of Supervisors' goal to preserve 1,000 units of affordable housing by the end of FY 2007.

The agency developed new, more comprehensive indicators starting in FY 2006 to track the agency's ability to leverage funds per County dollar expended to improve and enhance identified blighted properties. 257 properties were improved or enhanced and \$18 was leveraged for every \$1 in County funds expended.

Commercial Area Revitalization

Objectives

- ◆ To leverage and/or obtain \$69 in additional funds for every \$1 in County funds spent in commercial service areas.

| Indicator | Prior Year Actuals | | | Current Estimate | Future Estimate |
|---|--------------------|----------------|-----------------------------|------------------|-----------------|
| | FY 2004 Actual | FY 2005 Actual | FY 2006 Estimate/Actual | FY 2007 | FY 2008 |
| Output: | | | | | |
| Annual County funding budgeted | NA | \$633,150 | \$642,424 / \$671,000 | \$668,121 | \$701,527 |
| Federal and State funding obtained | NA | \$1,410,000 | \$300,000 / \$1,201,000 | \$600,000 | \$630,000 |
| Private investment (1) | NA | \$41,332,132 | \$42,477,364 / \$57,015,000 | \$45,450,779 | \$47,723,317 |
| Efficiency: | | | | | |
| Dollars of private investment for every County \$1 expended | NA | \$68 | \$66 / \$85 | \$68 | \$68 |
| Total dollars for every County \$1 expended | NA | \$65 | \$66 / \$87 | \$69 | \$69 |
| Service Quality: | | | | | |
| Visits to businesses | NA | NA | 360 / 203 | 100 | 100 |
| Web page requests (www.fcrevit.org) | NA | 5,285 | 100,000 / 333,013 | 150,000 | 157,500 |
| Outcome: | | | | | |
| Percent change in private investment | NA | NA | 3% / 28% | 7% | 5% |

(1) The Department of Tax Administration and DPWES have changed their system for reporting building permits, which is the source of the "Private Investment Funding" number. The actual for FY 2006 is an estimate based on a recent survey of developers conducted by HCD staff. The FY 2007 and FY 2008 Private Investment Funding estimates assume using building permit information, which was the methodology used to develop the estimates and report actual data in FY 2005.

Performance Measurement Results

The agency developed new, more comprehensive, indicators starting in FY 2006 to track the agency's ability to leverage funds against the various funding sources used to promote commercial revitalization. \$85 of private investment was leveraged in FY 2006 for every \$1 of County funds expended for operations. 203 visits were made to businesses and 333,013 web pages were requested at www.fcrevit.org.

Housing and Community Development Program Overview

Capital Formation and Capacity Building Service Area

Goal

To pursue partnerships with investors, the philanthropic community, the Commonwealth and state and federal government that will result in capital investment and financial support for the DHCD and FCRHA mission. In addition, to enhance the potential for successful development and preservation by helping to increase the number of viable development organizations, and assisting these organizations in increasing their development capacity.

New Initiatives and Recent Accomplishments in Support of the Fairfax County Vision *

|  Maintaining Safe and Caring Communities | Recent Success | FY 2008 Initiative | Fund |
|---|----------------|--------------------|----------|
| Provided funding for the acquisition, rehabilitation, preservation of 98 units by nonprofit Wesley Housing and the purchase of 10 condo units by the FCRHA. (Sully District) | ☑ | | 144, 319 |
| Provided financing to nonprofit AHC for acquisition of 98 units at Hollybrooke II using The Penny for Affordable Housing Fund and FCRHA Tax-Exempt Bonds. (Mason District) | ☑ | | 319, 144 |
| Provide financing to AHC for acquisition of 50 units at Hollybrooke III using The Penny for Affordable Housing Fund. (Mason District) | | ☑ | 319 |
| Provided second phase of funding for acquisition and preservation of 319 affordable rental units at Janna Lee Village by AHP Virginia, LLC. The FCRHA will own the land on which the project sits, ensuring long-term affordability. (Lee District) | ☑ | | 319 |
| Financed the acquisition of eight units by Homestretch to serve homeless families with children, as well as persons with disabilities or transitional housing. | ☑ | | 142, 145 |
| Provided funding to nonprofit Wesley Housing to purchase six Affordable Dwelling Units for seniors at Hiddenbrooke. | ☑ | | 144,319 |
| Provided financing to nonprofit Reston Interfaith to purchase two units for families with very low incomes holding Housing Choice Vouchers. | ☑ | | 142 |
| Financed two units for nonprofit Good Shepherd Housing to be rented to low income households. | ☑ | | 142, 145 |

Housing and Community Development Program Overview

|  Maintaining Safe and Caring Communities | Recent Success | FY 2008 Initiative | Fund |
|---|-------------------------------------|-------------------------------------|--------------------------------------|
| Financed the rehabilitation of Springdale Housing, a shared property owned by nonprofit Wesley Housing, with six beds for elderly and disabled adults. | <input checked="" type="checkbox"/> | | 144, 319 |
| Financed the acquisition and rehabilitation of a 6-bedroom house by nonprofit RPJ Housing to serve individuals with disabilities. | <input checked="" type="checkbox"/> | | 142, 144 |
| Provide financing for the rehabilitation of Forest Glen, a low-income senior housing project. | | <input checked="" type="checkbox"/> | 144 |
| Refund or refinance high-interest rate financing for FCRHA-owned projects. | | <input checked="" type="checkbox"/> | 948 |
|  Building Livable Spaces | Recent Success | FY 2008 Initiative | Fund |
| Develop various financing plans to promote affordable housing, which includes: financing for the Lewinsville Assisted Living Facility; construction of Olley Glen (formerly Little River Glen III); predevelopment funds to the projects that apply to the Affordable Housing Partnership Program Tier 1 and Tier 2; and, permanent financing for the rental units acquired through the Affordable Dwelling Unit program. | | <input checked="" type="checkbox"/> | 142, 144, 145, 948 |
| Continue to develop various financing plans to promote affordable housing, which includes: predevelopment funds and financing to a nonprofit for the development of Chesterbrook Residences, an assisted living facility; and, permanent financing through the Affordable Housing Partnership Program to Birmingham Green for gap financing to develop an assisted living facility. | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | 142, 144, 145 |
| Pursue additional funding for affordable housing projects through the Federal Home Loan Bank Board. | | <input checked="" type="checkbox"/> | 948 |
| Pursue projects where the FCRHA is the conduit issuer of tax-exempt bonds. | | <input checked="" type="checkbox"/> | 948 |
| Consistent with the Magnet Housing Program goal of collocating community essential workforce with safe and affordable housing, financial support was provided for several projects in FY 2006: permanent financing for Glenwood Mews Magnet Housing Project; financing plan for West Ox 30 one-bedroom unit and Training Center facility; temporary financing for the procurement of 10 Affordable Dwelling Units (ADU) at Westcott Ridge; and permanent financing for additional units purchased through the ADU program for Magnet Housing. Construction of the 15-unit Glenwood Mews project is expected to be completed in FY 2008. The West Ox Magnet Housing project is anticipated to be in construction in FY 2008, pending funding availability. | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | 142, 144, 145, 319 941, 948 |

Housing and Community Development Program Overview

|  Connecting People and Places | Recent Success | FY 2008 Initiative | Fund |
|---|-------------------------------------|-------------------------------------|---------------------|
| Facilitated the preparation of the <u>Consolidated Plan One-Year Action Plan for FY 2006</u> by the Consolidated Community Funding Advisory Committee (CCFAC), and processed it through public review and approval by the Board of Supervisors and HUD. | <input checked="" type="checkbox"/> | | 142,143, 144,145 |
| Facilitate preparation of the required <u>Five Year Consolidated Plan FY 2006-2010</u> (for CDBG, HOME, ESG and HOPWA federal funding) that includes support to the CCFAC, the public input process and review and approval by the Board of Supervisors and HUD. | | <input checked="" type="checkbox"/> | 142,143, 144,145 |
| Support planning and implementation of the FY 2007/2008 Request for Proposals process for the Consolidated Community Funding Pool (CCFP) and administration of contract awards for services provided by community based nonprofits. CCFP provided \$9.6 million in funding for services in FY 2006 to the County's non-profit partners for critical human services such as youth programs, affordable housing and support services, and services targeted toward the County's immigrant population. | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | 142 |
| Finance various projects through Bond Anticipation Notes, tax-exempt bonds, and other leveraging opportunities. | | <input checked="" type="checkbox"/> | 340, 948 |

* A complete listing and description of the Department of Housing and Community Development (DHCD) funds may be found at the end of the DHCD Program Overview.

Housing and Community Development Program Overview

CONSOLIDATED FUND STATEMENT

| | FY 2006 Actual | FY 2007 Adopted Budget Plan | FY 2007 Revised Budget Plan | FY 2008 Advertised Budget Plan | FY 2008 Adopted Budget Plan |
|---|----------------------|-----------------------------------|-----------------------------------|--------------------------------------|-----------------------------------|
| Beginning Balance¹ | \$60,847,500 | \$22,820,649 | \$46,277,380 | \$23,128,080 | \$24,212,804 |
| Revenue: | | | | | |
| Federal/State | \$56,553,794 | \$53,020,775 | \$75,961,763 | \$50,655,177 | \$50,655,177 |
| General Fund Contributions ² | 26,203,225 | 9,356,915 | 10,107,081 | 9,485,924 | 9,485,924 |
| Program Income | 11,616,692 | 11,133,737 | 11,133,737 | 12,034,329 | 12,034,329 |
| Sale of Bonds | 40,600,000 | 0 | 4,486,833 | 0 | 0 |
| Investment Income | 1,824,354 | 611,576 | 704,172 | 958,625 | 958,625 |
| Monitoring/Service Fees | 496,700 | 466,566 | 466,566 | 1,248,392 | 1,248,392 |
| Utility Reimbursements | 114,081 | 126,505 | 126,505 | 114,081 | 114,081 |
| Repayment of Advances | 545,981 | 324,995 | 324,995 | 266,837 | 266,837 |
| Proffered Contributions | 1,984,962 | 1,600,000 | 1,600,000 | 1,800,000 | 1,800,000 |
| Real Estate Tax Revenue ³ | 0 | 21,900,000 | 21,900,000 | 22,700,000 | 22,700,000 |
| Miscellaneous/Other | 9,858,893 | 5,865,782 | 19,161,026 | 5,885,567 | 5,885,567 |
| Total Revenue⁴ | \$149,798,682 | \$104,406,851 | \$145,972,678 | \$105,148,932 | \$105,148,932 |
| Total Available | \$210,646,182 | \$127,227,500 | \$192,250,058 | \$128,277,012 | \$129,361,736 |
| Expenditures: | | | | | |
| Personnel Services | \$12,647,265 | \$14,453,620 | \$13,908,118 | \$15,180,543 | \$15,180,543 |
| Operating Expenses | 51,960,277 | 55,330,638 | 60,475,300 | 54,182,103 | 54,182,103 |
| Capital Equipment | 0 | 0 | 245,000 | 0 | 0 |
| Grant Projects | 12,487,610 | 9,562,396 | 25,328,412 | 8,649,703 | 8,649,703 |
| Capital Projects | 87,273,650 | 25,614,760 | 68,080,424 | 26,467,617 | 26,467,617 |
| Total Expenditures^{4,5} | \$164,368,802 | \$104,961,414 | \$168,037,254 | \$104,479,966 | \$104,479,966 |
| Total Disbursements | \$164,368,802 | \$104,961,414 | \$168,037,254 | \$104,479,966 | \$104,479,966 |
| Ending Balance | \$46,277,380 | \$22,266,086 | \$24,212,804 | \$23,797,046 | \$24,881,770 |

¹As part of the *FY 2005 Carryover Review*, the FY 2006 Beginning Balance in Fund 965, Housing Grants, was reduced to \$0 from \$42,413 as requested by the U.S. Department of Housing and Urban Development to close out the Public Housing Drug Elimination and HOPWA Grants that expired prior to FY 2006 and were not carried forward to FY 2006. All expenditure and revenue reimbursements were completed for these grants.

²In FY 2006, the General Fund Contributions include the General Fund Transfers to Fund 141, Elderly Housing Programs; Fund 319, The Penny for Affordable Housing Fund; and, Fund 340, Housing Assistance Program, with the remainder reflecting Agency 38 funding within the General Fund. Due to a change in the way Fund 319 is accounted for, starting in FY 2007, the total only includes the General Fund Transfers to Fund 141 and Fund 340, as well as Agency 38 funding within the General Fund.

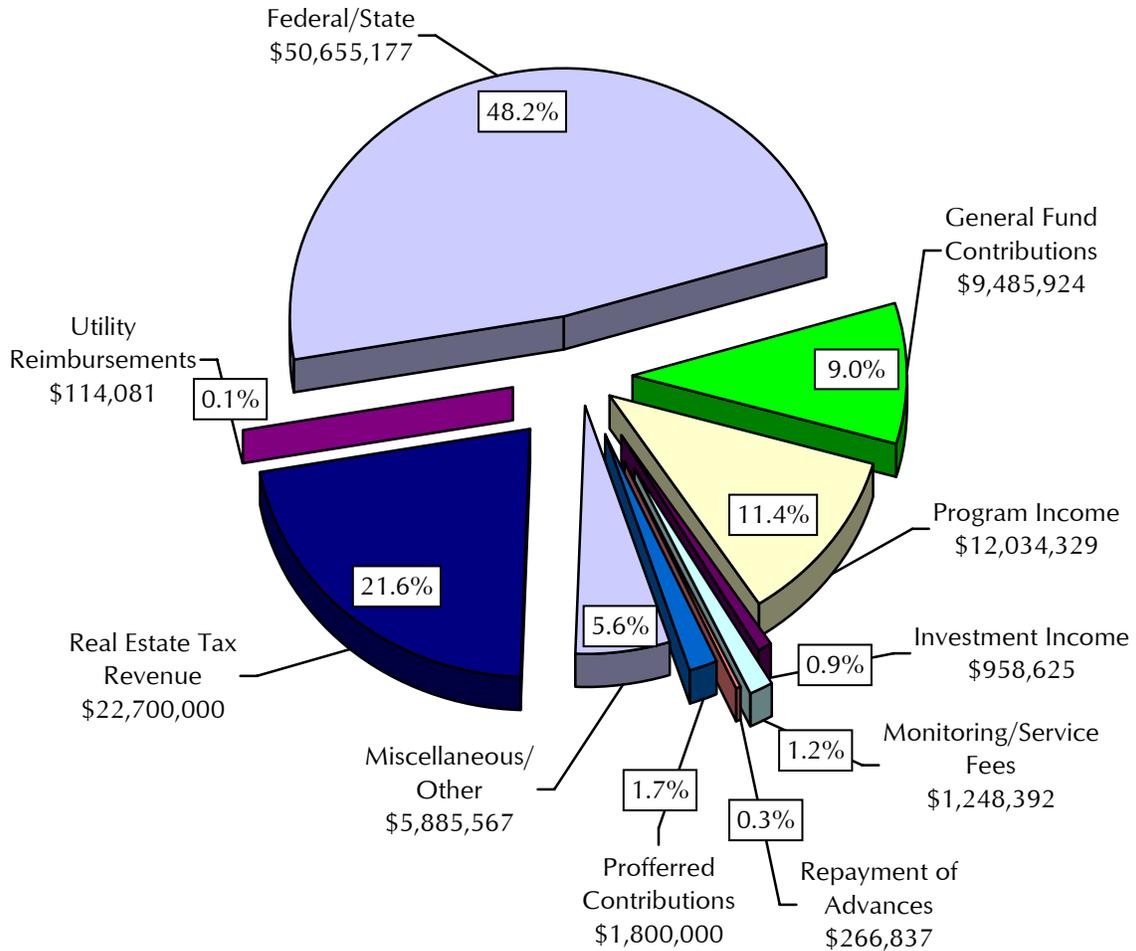
³ FY 2007 and FY 2008 Real Estate Tax Revenue reflects funding in Fund 319, The Penny for Affordable Housing Fund, formerly listed under General Fund Contributions in FY 2006.

⁴ Designations are based on fund category, for example, Fund 340, Housing Assistance Programs is included in Capital Projects although some funding is used to support Personnel Services. Fund 949, FCRHA Internal Service Fund, was included as a separate housing fund beginning in FY 1998. Revenues and expenditures for this fund are included in the Consolidated Fund Statement, but do not increase total funding available to the agency. As such, this funding is netted out of the Program Area Summary by Fund.

⁵ As directed by the Board of Supervisors during its revitalization retreat in December 2006, a new Office of Community Revitalization and Reinvestment has been created in the Office of the County Executive. Funding adjustments, including reallocations from the Department of Housing and Community Development, will be made as part of the *FY 2007 Carryover Review*.

Housing and Community Development Program Overview

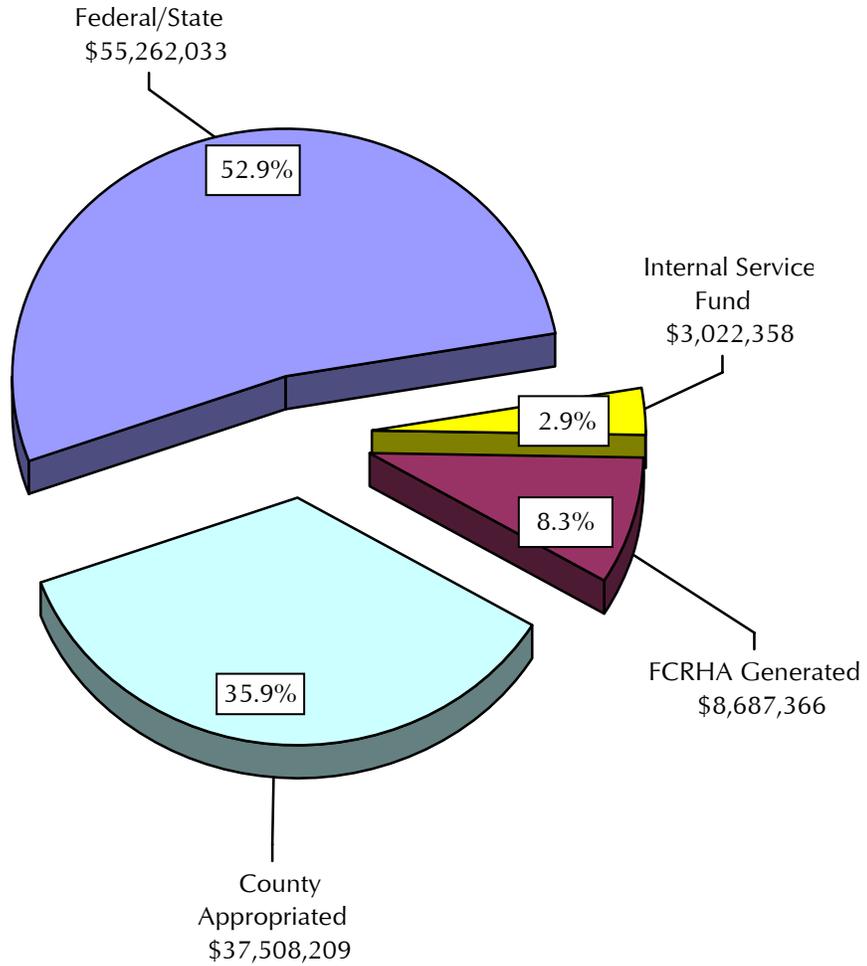
HOUSING PROGRAMS FY 2008 SOURCE OF FUNDS



TOTAL REVENUES = \$105,148,932

Housing and Community Development Program Overview

HOUSING PROGRAMS FY 2008 EXPENDITURES



TOTAL EXPENDITURES = \$104,479,966

Housing and Community Development Program Overview

Budget and Staff Resources

| Program Area Summary by Fund | | | | | |
|--|---------------------|-----------------------------------|-----------------------------------|--------------------------------------|-----------------------------------|
| Category | FY 2006 Actual | FY 2007 Adopted Budget Plan | FY 2007 Revised Budget Plan | FY 2008 Advertised Budget Plan | FY 2008 Adopted Budget Plan |
| Authorized Positions/Staff Years | | | | | |
| Regular | 226/226 | 228/228 | 230/230 | 229/229 | 230/230 |
| Grant | 8/8 | 8/8 | 9/9 | 9/9 | 9/9 |
| Total Positions | 234/234 | 236/236 | 239/239 | 238/238 | 239/239 |
| County Appropriated Funds: | | | | | |
| Operating: | | | | | |
| Department of Housing and Community Development | | | | | |
| 141 Elderly Housing Programs | 3,718,074 | 3,344,502 | 3,589,502 | 3,529,961 | 3,529,961 |
| 143 Homeowner and Business Loan Programs | 843,776 | 1,597,723 | 7,421,136 | 1,388,983 | 1,388,983 |
| Total Operating Expenditures | \$10,540,654 | \$11,914,088 | \$18,137,667 | \$11,933,209 | \$11,933,209 |
| Capital: | | | | | |
| 144 Housing Trust Fund | \$16,188,303 | \$1,850,000 | \$12,114,688 | \$1,940,000 | \$1,940,000 |
| 319 The Penny for Affordable Housing Fund | 55,634,079 | 21,900,000 | 24,765,921 | 22,700,000 | 22,700,000 |
| 340 Housing Assistance Program | 3,976,088 | 935,000 | 13,376,819 | 935,000 | 935,000 |
| 341 Housing General Obligation Bond Construction | 0 | 0 | 13,657 | 0 | 0 |
| Total Capital Expenditures | \$75,798,470 | \$24,685,000 | \$50,271,085 | \$25,575,000 | \$25,575,000 |
| Total County Appropriated Fund Expenditures | \$86,339,124 | \$36,599,088 | \$68,408,752 | \$37,508,209 | \$37,508,209 |
| Federal/State Support: | | | | | |
| 965 Housing Grants Fund | \$179,689 | \$0 | \$179,758 | \$0 | \$0 |
| 966 Section 8 Annual Contribution | 39,244,024 | 41,882,198 | 40,294,267 | 40,605,690 | 40,605,690 |
| 967 Public Housing, Projects Under Management | 5,563,468 | 5,636,601 | 5,661,432 | 6,006,640 | 6,006,640 |
| 969 Public Housing, Projects Under Modernization | 1,716,816 | 0 | 3,722,874 | 0 | 0 |
| 142 Community Development Block Grant | 9,593,276 | 6,905,321 | 14,143,786 | 6,192,316 | 6,192,316 |
| 145 HOME Investment Partnerships Grant | 2,714,645 | 2,657,075 | 11,004,868 | 2,457,387 | 2,457,387 |
| Total Federal/State Support | \$59,011,918 | \$57,081,195 | \$75,006,985 | \$55,262,033 | \$55,262,033 |

Housing and Community Development Program Overview

| Program Area Summary by Fund | | | | | |
|---|----------------------|-----------------------------------|-----------------------------------|--------------------------------------|-----------------------------------|
| Category | FY 2006 Actual | FY 2007 Adopted Budget Plan | FY 2007 Revised Budget Plan | FY 2008 Advertised Budget Plan | FY 2008 Adopted Budget Plan |
| FCRHA Generated Funds: | | | | | |
| 940 FCRHA General Operating | \$2,470,540 | \$3,084,956 | \$3,106,438 | \$3,210,388 | \$3,210,388 |
| 941 Fairfax County Rental Program | 3,294,596 | 3,378,841 | 3,417,000 | 3,615,446 | 3,615,446 |
| 945 Non-County Appropriated Rehabilitation Loan | 320 | 15,000 | 16,467 | 15,000 | 15,000 |
| 946 FCRHA Revolving Development | 1,231,133 | 0 | 3,161,306 | 0 | 0 |
| 948 FCRHA Private Financing | 8,527,231 | 929,760 | 10,925,159 | 892,617 | 892,617 |
| 949 Internal Service Fund | 2,745,440 | 2,942,195 | 3,059,150 | 3,022,358 | 3,022,358 |
| 950 Housing Partnerships | 748,500 | 930,379 | 935,997 | 953,915 | 953,915 |
| Subtotal, FCRHA Funds | \$19,017,760 | \$11,281,131 | \$24,621,517 | \$11,709,724 | \$11,709,724 |
| Less: | | | | | |
| 949 Internal Service Fund | \$2,745,440 | \$2,942,195 | \$3,059,150 | \$3,022,358 | \$3,022,358 |
| Total, FCRHA Funds | \$16,272,320 | \$8,338,936 | \$21,562,367 | \$8,687,366 | \$8,687,366 |
| Total, All Sources | \$164,368,802 | \$104,961,414 | \$168,037,254 | \$104,479,966 | \$104,479,966 |
| Less: | | | | | |
| 949 Internal Service Fund | \$2,745,440 | \$2,942,195 | \$3,059,150 | \$3,022,358 | \$3,022,358 |
| Net Total, All Sources | \$161,623,362 | \$102,019,219 | \$164,978,104 | \$101,457,608 | \$101,457,608 |

Note: Fund 142, Community Development Block Grant, and Fund 145, HOME Investment Partnership Grant, are federally-supported County Appropriated funds and have been reflected under the Federal/State Support Category. While the Board of Supervisors appropriates funding in these Funds by project, the source of revenue is the federal government. The FY 2008 preliminary estimated federal funding for Fund 142, Community Development Block Grant (CDBG), is \$6,192,316 and for Fund 145, HOME Investment Partnership Grant (HOME), is \$2,457,387.

| Position Summary | | |
|--|--|--|
| <p><u>ADMINISTRATION</u> General Fund:</p> <p>1 Director 1 Deputy Director 1 HCD Division Director 1 Management Analyst III 1 Management Analyst II 1 Info. Tech. Prog. Mgr. I 1 Programmer Analyst I 1 Info. Tech. Technician II 2 Administrative Assistants IV</p> <p>CDBG:</p> <p>1 Management Analyst III</p> <p>FCRHA:</p> <p>1 H/C Developer V 1 Information Officer III 1 Information Officer II 2 Administrative Assistants IV</p> <p>Section 8:</p> <p>1 Network Tele. Analyst III 1 Network Tele. Analyst II</p> <p>Public Housing:</p> <p>1 Network Tele. Analyst II 1 Programmer Analyst I</p> | <p><u>REVITALIZATION</u> General Fund:</p> <p>1 Deputy Director 2 HCD Division Directors 5 H/C Developers IV 1 GIS Analyst II 1 Administrative Assistant IV</p> <p><u>DESIGN, DEVELOPMENT AND CONSTRUCTION</u> General Fund:</p> <p>1 HCD Division Director 2 H/C Developers IV 1 Administrative Assistant IV</p> <p>CDBG:</p> <p>1 H/C Developer IV</p> <p>HOME:</p> <p>1 H/C Developer IV</p> <p>FCRHA:</p> <p>3 H/C Developers V 1 H/C Developer IV 3 H/C Developers III 2 H/C Developers II</p> | <p><u>FINANCIAL MANAGEMENT</u> General Fund:</p> <p>1 HCD Division Director 1 Fiscal Administrator 1 Accountant III 2 Accountants II 1 Administrative Assistant V 1 Administrative Assistant III</p> <p>CDBG:</p> <p>1 Accountant II 1 Administrative Assistant III</p> <p>FCRHA:</p> <p>1 Fiscal Administrator 2 Accountants III 1 Accountant II 1 Administrative Assistant IV 1 Administrative Assistant III 1 Administrative Assistant II</p> <p>Section 8:</p> <p>2 Accountants I</p> <p>Public Housing:</p> <p>1 Chief Acctg. Fiscal Officer 1 Accountant II 5 Administrative Assistants III 1 Fiscal Administrator</p> |

Housing and Community Development Program Overview

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| <p><u>HOUSING MANAGEMENT:</u></p> <p>General Fund:</p> <ul style="list-style-type: none"> 2 HCD Division Directors 1 Programmer Analyst II 1 Housing Svcs. Spec. IV 1 Housing Svcs. Spec. III 5 Housing Svcs. Specs. II 1 Human Svcs. Coord. II 1 H/C Developer II 1 Warehouse Supervisor 1 A/C Equipment Repairer 1 Locksmith II 2 Plumbers II 1 Carpenter I 1 Painter I 1 Human Services Assistant 1 Housing Manager 1 Administrative Assistant IV 1 Administrative Assistant II 1 Management Analyst III <p>Elderly Housing Programs:</p> <ul style="list-style-type: none"> 1 Director of Senior Housing 1 Housing Svcs. Spec. V 1 Housing Svcs. Spec. IV 2 Housing Svcs. Specs. II 1 Housing Svcs. Spec. I 1 Sr. Mech. Sys. Supvr. 1 Asst. Supvr. Fac. Support 1 Electrician II 4 Facility Attendants II 1 General Bldg. Maint. Wkr. I 1 Administrative Assistant V 1 Maint. Trade Helper II <p>CDBG:</p> <ul style="list-style-type: none"> 1 Housing Svcs. Spec. V 1 Housing Svcs. Spec. IV 2 Housing Svcs. Specs. II <p>FCRHA:</p> <ul style="list-style-type: none"> 1 Housing Svcs. Spec. IV 1 Housing Svcs. Spec. III 1 Housing Svcs. Spec. II 1 Administrative Assistant II <p>Rental Program:</p> <ul style="list-style-type: none"> 3 Housing Services Specialists II 1 Electrician II 1 Engineering Tech. II 1 Painter I 1 Plumber II 2 General Bldg. Maint. Wrkrs. II 3 General Bldg. Maint. Wrkrs. I 1 Administrative Assistant IV 1 Administrative Assistant II 1 Refr. & A/C Supvr. | <p>Housing Partnerships:</p> <ul style="list-style-type: none"> 2 Housing Svcs. Specs. III 1 Housing Svcs. Spec. II 2 Housing Svcs. Specs. I 1 Refr. & A/C Supvr. 1 Gen. Bldg. Maint. Wrkr. II 1 Plumber I 2 Administrative Assistants III <p>Section 8:</p> <ul style="list-style-type: none"> 3 Housing Svcs. Specs. IV 1G 3 Housing Svcs. Specs. III 21 Housing Svcs. Specs. II 3G 4 Human Services Assistants 2 Administrative Assistants IV 1 Administrative Assistant III 1 Administrative Assistant II <p>Public Housing:</p> <ul style="list-style-type: none"> 1 HCD Division Property Management Supervisor 1 Housing Services Specialist V 1 Housing Services Specialist IV 1 Housing Services Specialist III 7 Housing Services Specialists II 2 Housing Services Specialists I 2 Sr. Maintenance Supervisors 3 A/C Equipment Repairers 2 Carpenters II 1 Carpenter I 3 General Bldg. Maint. Workers II 2 General Bldg. Maint. Workers I 1 Administrative Assistant IV 2 Administrative Assistants II 1 Storekeeper 1 Warehouse Specialist 1 Administrative Associate 1 Management Analyst I 1 H/C Developer II <p>Public Housing/Modernization:</p> <ul style="list-style-type: none"> 1 H/C Developer IV G 2 H/C Developers III 2G 1 Management Analyst I G 1 Administrative Assistant II G | <p><u>REAL ESTATE FINANCE AND GRANTS MANAGEMENT</u></p> <p>General Fund:</p> <ul style="list-style-type: none"> 1 H/C Developer IV 1 H/C Developer I <p>CDBG:</p> <ul style="list-style-type: none"> 1 Real Estate/Grants Manager 2 H/C Developers IV 3 H/C Developers III 1 Sr. Maintenance Supervisor 2 Carpenters I 3 Administrative Assistants IV 1 Maint. Trade Helper II <p>FCRHA:</p> <ul style="list-style-type: none"> 1 H/C Developer IV 3 H/C Developers II 1 Management Analyst III 1 Administrative Assistant III |
| <p><u>TOTAL POSITIONS</u> 230 Positions / 230.0 Staff Years</p> | | <p>G Denotes Grant Positions</p> |
| <p>9/9.0 SYE Grant Positions in Fund 966, Section 8, and Fund 969, Public Housing Projects Under Modernization</p> | | |

Housing and Community Development Program Overview

Housing Fund Structure

In many cases HCD service areas span multiple elements of the fund structure which follows. For example, staff in the General Fund and the FCRHA Operating support most of the activities of the Department.

- ◆ County General Fund
 - Fund 001, General Operating

This fund supports positions in Agency 38, HCD, and provides subsidies for the operation of some rental housing programs. Subsidies include support for expenses such as refuse collection, painting, maintenance positions, real estate taxes, and homeowner/condominium fees charged for condominium units owned by the FCRHA.
- ◆ FCRHA General Operating
 - Fund 940, FCRHA General Operating

This fund includes all FCRHA revenues generated by financing fees earned from issuance of bonds, monitoring and service fees charged to developers, investment income, project reimbursements, consultant fees, and ground rents on land leased to developers. Revenues support operating expenses for the administration of the private activity bonds, the Home Improvement Loan Program staff, and other administrative costs, which crosscut many of the housing programs.
- ◆ Local Rental Housing Program
 - Fund 941, Fairfax County Rental Program (FCRP)

Fund 941 covers the operation of housing developments that are owned or managed by the FCRHA, other than federally-assisted public housing and certain County-supported rental housing. This includes operating costs for the FCRP units, the Woodley-Hills Estate Mobile Home Park, and projects regulated by the Virginia Housing Development Authority, including group homes for the disabled and mentally handicapped. These latter units are owned and maintained by FCRHA; however, programs for the residents are administered by the Fairfax-Falls Church Community Services Board.
 - Fund 950, FCRHA Housing Partnerships

Fund 950 was established in FY 2002 to budget and account for revenue and expenditures related to the housing developments owned by partnerships between FCHRA and private investors. Financial records for these partnerships are maintained separately, outside the County financial systems, in order to meet accounting and reporting requirements. However, HCD provides staff support to some of these developments and procures goods and services on behalf of these partnerships which are reflected in Fund 950. Previously, these items were included in Fund 941.
- ◆ Federal Section 8 Rental Assistance
 - Fund 966, Section 8 Annual Contribution

The Section 8 program is a federal housing rental assistance program for lower income families to assist them in leasing housing in the private marketplace. A portion of rent payments is provided by HUD and is calculated under various formulas, incorporating family income and the fair market rent for various types of housing in the Washington Metropolitan Area. The FCRHA administers the program, providing rental vouchers to eligible participants and rental subsidies to certain housing developments.

Housing and Community Development Program Overview

◆ Public Housing Program

- Fund 967, Public Housing, Projects Under Management
- Fund 969, Public Housing, Projects Under Modernization

These funds represent the Federal Public Housing Program that supports the operation, modernization, or acquisition of rental housing to be owned and operated by local housing authorities such as the FCRHA. The Public Housing Program had been divided into two separate components: projects in operation and modernization of existing Public Housing facilities. Under the program qualifications for Public Housing, units are leased to low-income tenants, and tenants pay no more than 30 percent of adjusted income toward dwelling rent or a minimum of \$50 per month.

◆ Special Revenue Funds

- Fund 141, Elderly Housing Programs
- Fund 142, Community Development Block Grant (CDBG)
- Fund 143, Homeowner and Business Loan Programs
- Fund 144, Housing Trust Fund
- Fund 145, HOME Investment Partnership Grant (HOME)
- Fund 945, Non-County Appropriated Rehabilitation Loan Program

These funds include housing programs which have a special source of revenue, including rental income, federal/state support, bank funds, or proffered contributions. Elderly Housing Programs in Fund 141 provide for the operation of FCRHA-owned affordable housing for the low- and moderate-income elderly of the County. The CDBG program in Fund 142 is a federal grant that is used to conserve and upgrade neighborhoods through the provision of public facilities, support for community services and stimulation of development of low- and moderate-income housing. The Homeowner and Business Loan Programs in Fund 143 support homeowner assistance, such as the Moderate Income Direct Sales Program, which aids homeowners in the purchase of homes, as well as a federal grant aimed at providing loans to small and minority businesses. Fund 144, Housing Trust Fund, utilizes proffered contributions from private developers, County contributions, and investment earnings to encourage the preservation, development, and redevelopment of affordable housing by the FCRHA, non-profit sponsors, and the private sector. The HOME program in Fund 145 is a federal grant program that supports provision of affordable housing through acquisition, rehabilitation, new construction, and tenant-based rental assistance. Fund 945, Non-County Appropriated Rehabilitation Loan Fund, represents funds raised from private sources for the rehabilitation and upgrading of housing, and works in conjunction with County-appropriated funds in the CDBG and the Homeowner and Business Loan Program funds.

◆ Capital Projects

- Fund 319, The Penny for Affordable Housing Fund
- Fund 340, Housing Assistance Program
- Fund 341, Housing General Obligation Bond Construction

These funds provide County support for both affordable housing and community revitalization capital projects. Fund 319, The Penny for Affordable Housing Fund, is designed to provide funds to quickly and significantly impact the availability of affordable housing in the County within established criteria. The fund was established in FY 2005 based on the Board of Supervisor's approval to dedicate one penny of the real estate tax revenue to preserving affordable housing in the County. Fund 340, Housing Assistance Program, supports the Commercial Revitalization Program, including staff resources, marketing, consultant services and capitalized projects, as well as the Blight Abatement Program. In addition, funding was also included in Fund 340 from Section 108 loan proceeds to be used to preserve and improve five conservation areas. Fund 341, Housing General Obligation Bond Construction, is used to budget and report costs for housing and community development and capital projects that are supported wholly or in part by general obligation bond proceeds.

Housing and Community Development Program Overview

- ◆ FCRHA Development Support
 - Fund 946, FCRHA Revolving Development
 - Fund 948, FCRHA Private Financing

Fund 946 provides development support for site investigation for proposed new projects and provides temporary advances for architectural and engineering plans, studies, or fees for which federal, state, County, or private funds will reimburse the FCRHA at a later date. Funding capital improvement projects for existing FCRP units is also provided. Fund 948, FCRHA Private Financing, is used to budget and report costs for two types of funds: those borrowed by the FCRHA from private lenders and other sources, and funds for FCRHA projects which are generated through the sale of FCRHA bonds.

- ◆ FCRHA Internal Service Fund
 - Fund 949, FCRHA Internal Service Fund, was established in FY 1998 to charge for goods and services that are shared among several housing funds. These costs include items such as office supplies, telephones, postage, copying, insurance, and audits which have been budgeted and paid from one of the FCRHA's funds and then allocated to the other funds proportionate to their share of the costs. This fund also includes costs associated with the maintenance and operation of FCRHA housing development, such as service contracts for extermination, custodial work, elevator maintenance, and grounds maintenance. The fund allows one contract to be established for goods and services, as opposed to multiple contracts in various funds.

- ◆ FCRHA Grant Fund
 - Fund 965, Housing Grants, was established in FY 2000 to administer grants awarded to the FCRHA. The grants currently in this fund are awarded by the U.S. Department of Housing and Urban Development (HUD), based on competitive applications for funding, and provide for rent subsidies, counseling services, support services, operating expenses, and property improvements.