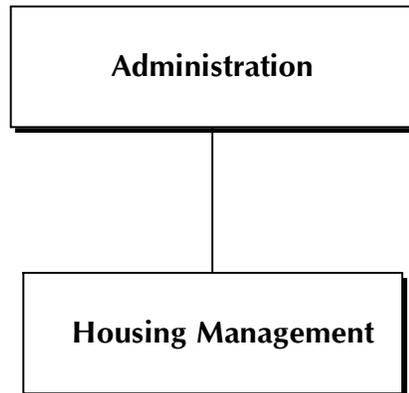


Fund 941

Fairfax County Rental Program



Mission

To manage affordable rental housing acquired by the Fairfax County Redevelopment and Housing Authority (FCRHA) and to maintain and preserve the units for long term rental availability.

Focus

The Fairfax County Rental Program (FCRP) is a local rental-housing program developed and managed by the Department of Housing and Community Development (HCD) for the Fairfax County Redevelopment and Housing Authority (FCRHA). The FCRP is designed to provide affordable rental housing in the County for low- and moderate-income families. In addition, the seven group home properties provide housing for persons with disabilities in conjunction with the Fairfax-Falls Church Community Services Board (CSB) and the Virginia Housing and Development Authority (VHDA).

In FY 2009, approximately 1,373 units, including 1,232 currently-owned units, 26 estimated unit acquisitions, and a 115-space mobile home park will be supported under the FCRP for low- to moderate-income residents. Additionally, the FCRP budget includes seven group homes that are managed by the CSB and have a total operating capacity of 68 beds. The FCRP includes projects developed by the FCRHA and other privately developed or rehabilitated housing units acquired by the FCRHA. The privately developed and rehabilitated sites are located throughout Fairfax County, primarily in converted condominium projects.

The operation of this program is primarily supported by tenant rents. Recently added units include the acquisition of 10 units at Madison Ridge, 2 units at Holly Acres, 4 units at East Market, 4 units at Bryson at Woodland Park, 3 units at Fair Oaks Landing, and 8 additional units at ParcReston. The addition of these units as well as the 26 units expected to be acquired in FY 2009 result in higher Dwelling Rent revenue and Operating Expenses. In FY 2009, the County's General Fund is being charged directly for



Photo of the units at Madison Ridge

payments in support of condominium fees in the amount of \$463,500. In addition, debt service contributions are received from Fund 141, Elderly Housing, to provide support for the debt service costs of Little River Glen,

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an FCRHA elderly housing development. Accounting procedures require that the debt service for this project be paid out of Fund 941, Fairfax County Rental Program, although the operating costs are reflected in Fund 141, Elderly Housing. Fund 941 is also used to account for debt service payments on two facilities owned by the FCRHA and leased to Fairfax County: the United Communities Ministries (UCM) offices and the Mondloch I emergency shelter (Creighton Square project).

In addition, HCD staff administers the contract between the FCRHA and private firms hired to manage three rental properties, Hopkins Glen, Crescent Apartments, and the recently acquired, Wedgewood Apartments.

The following charts summarize the total number of units in the rental program and group home properties in FY 2009 and the projected costs associated with the units:

<u>Project Name</u>	<u>Units</u>	<u>FY 2009 Cost</u>	<u>District</u>
Chatham Towne	10	\$65,999	Braddock
Little River Square	45	296,996	Braddock
McLean Hills	25	206,531	Providence
Springfield Green	14	115,013	Lee
Colchester Towne	24	181,922	Lee
Penderbrook	48	427,256	Providence
Island Creek	8	52,800	Lee
Cedar Lakes	3	19,800	Hunter Mill
Westbriar	1	6,601	Providence
Faircrest	6	76,268	Sully
Westcott Ridge	10	114,280	Springfield
Laurel Hill	6	76,268	Mt. Vernon
Willow Oaks	7	86,343	Springfield
Saintsbury Plaza	6	39,601	Providence
ParcReston	18	118,800	Hunter Mill
Holly Acres	2	24,514	Lee
Legato Corner Condominiums	13	151,465	Springfield
East Market	4	26,400	Springfield
Madison Ridge	10	66,000	Sully
Lorton Valley	2	13,200	Mt. Vernon
Fair Oaks Landing	3	19,800	Springfield
Bryson at Woodland Park	4	26,400	Hunter Mill
FCRP FY 2009 (Estimated Acquisitions)	26	171,599	Various
Working Singles Housing Program	20	18,479	Providence
FCRHA Operating	NA	165,549	Various
Woodley Homes Mobile Home Park	115	444,759	Mt. Vernon
Hopkins Glen ¹	91	0	Providence
Crescent Apartments ¹	180	0	Hunter Mill
Wedgewood Apartments ¹	672	0	Braddock
United Community Ministries (Debt Service)	NA	37,970	Lee
Creighton Square (Debt Service)	NA	65,000	Providence
Little River Glen (Debt Service)	NA	531,072	Braddock
Subtotal FCRP Operating	1,373	\$3,646,685	

¹ The units at Hopkins Glen, Crescent Apartments, and Wedgewood Apartments are part of the FCRP Program. All properties are managed and maintained by a private contractor. All funding for these units will be reported by the property management firm and reported to the agency on a regular basis.

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The group homes program is summarized in the following table including the number of beds and the level of FY 2009 funding:

<u>Project Name</u>	<u>Beds/Units</u>	<u>FY 2009 Cost</u>
Minerva Fisher Group Home	12	\$91,112
Rolling Road Group Home	5	22,875
Patrick Street Group Home	8	19,706
First Stop Group Home (Sojourn House)	8	72,984
Mount Vernon Group Home	8	18,666
West Ox Group Home	19	118,656
Leland Group Home	8	69,569
Subtotal Group Homes	68	\$413,568
Total Beds/Fund Expenditures	1,441	\$4,060,253
Less: Debt Service	NA	(\$634,042)
Total Program Operations	1,441	\$3,426,211

Budget and Staff Resources

Agency Summary					
<u>Category</u>	<u>FY 2007 Actual</u>	<u>FY 2008 Adopted Budget Plan</u>	<u>FY 2008 Revised Budget Plan</u>	<u>FY 2009 Advertised Budget Plan</u>	<u>FY 2009 Adopted Budget Plan</u>
Authorized Positions/Staff Years					
Regular	15/ 15	15/ 15	15/ 15	15/ 15	16/ 16
Expenditures:					
Personnel Services	\$1,239,768	\$1,507,131	\$1,507,131	\$1,556,017	\$1,570,991
Operating Expenses	2,043,658	2,108,315	3,069,543	2,504,236	2,489,262
Total Expenditures	\$3,283,426	\$3,615,446	\$4,576,674	\$4,060,253	\$4,060,253

Position Summary					
HOUSING MANAGEMENT	1	Painter I	1	Trades Supervisor	
1 Housing Community Developer II	1	Plumber II	2	General Building Maintenance Workers II	
1 Housing Services Specialist III	1	Electrician II	3	General Building Maintenance Workers I	
3 Housing Services Specialists II	1	GIS Analyst II	1	Administrative Assistant II	
TOTAL POSITIONS					
16 Positions / 16.0 Staff Years					

Note: As the result of a transition by the U.S. Department of Housing and Urban Development to a project based budgeting model for the maintenance of public housing facilities, a number of positions are being moved within the Fairfax County Department of Housing and Community Development to better align the positions to the developments they support. This realignment is driven by the movement of maintenance positions but also impacts financial and management positions to maintain the level of County support and the number of County positions while complying with the federal requirements. In FY 2009, 2/2.0 SYE positions were exchanged between Fund 941 and Fund 940, Fairfax County Redevelopment and Housing Authority General Operating and 1/1.0 SYE Position was transferred from Fund 967, Public Housing Projects Under Management.

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Fairfax County Rental Program

FY 2009 Funding Adjustments

The following funding adjustments from the FY 2008 Revised Budget Plan are necessary to support the FY 2009 program:

- ◆ **Employee Compensation** **\$48,886**
An increase of \$48,886 in Personnel Services is associated with salary adjustments necessary to support the County's compensation program. As a result of budget constraints, compensation adjustments for County employees have been reduced. For FY 2009, employee increases as part of the pay for performance system have been discounted by 50 percent and the impact of the lower pay for performance funding is reflected above.

- ◆ **Management Fee Expenses** **\$141,986**
An increase of \$141,986 in Operating Expenses is due to projected expenditures associated with management fees charged by FCRHA and costs associated with operating the estimated 1,441 units in the rental housing program and group home properties.

- ◆ **Carryover Adjustments** **(\$106,172)**
A decrease of \$106,172 in Operating Expenses is due to encumbered carryover for professional and consulting services, principal and interest payments, and repairs and maintenance as part of the FY 2007 Carryover Review.

Board of Supervisors' Adjustments

The following funding adjustments reflect all changes to the FY 2009 Advertised Budget Plan, as approved by the Board of Supervisors on April 28, 2008:

- ◆ **Pay for Performance** **\$0**
A net increase of \$0 as a result of an increase of \$14,974 in Personnel Services is associated with the decision by the Board of Supervisors to eliminate the 50 percent reduction to employee increases as part of the pay for performance system offset by a corresponding reduction in operating expenses to maintain funding at the level supported by projected revenues. A reduction to pay for performance increases had been proposed in the FY 2009 Advertised Budget Plan due to budget constraints. However, as a result of the Board's decision, employees will be eligible for the full compensation increase for which they qualify based on performance.

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Changes to FY 2008 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2008 Revised Budget Plan since passage of the FY 2008 Adopted Budget Plan. Included are all adjustments made as part of the FY 2007 Carryover Review and all other approved changes through December 32, 2007:

- ◆ **Carryover Adjustments** **\$345,133**
As part of the *FY 2007 Carryover Review*, the Board of Supervisors approved an increase of \$345,133 due to debt service funding of \$238,961 for permanent financing of six FCRP projects (Project 014171, Faircrest; Project 014188, Westcott; Project 014195, Laurel Hills; Project 014234, Willow Oaks; Project 014238, Holly Acres; and, Project 014250, Legato), as well as encumbered carryover of \$106,172.

The following funding adjustments reflect all approved changes to the FY 2008 Revised Budget Plan from January 1, 2008 through April 21, 2008. Included are all adjustments made as part of the FY 2008 Third Quarter Review:

- ◆ **Third Quarter Adjustments** **\$616,095**
As part of the *FY 2008 Third Quarter Review*, the Board of Supervisors approved an increase of \$616,095 in Operating Expenses due to an increase of \$400,632 to the pay-off of FCRHA mortgages for the Rolling Road and Patrick Street Group Homes; an increase of \$206,800 in Operating Expenses due to expenditures associated with management fees charged by FCRHA; and an increase of \$8,663 for debt service costs associated with Bryson at Woodland Park, Fair Oaks Landing and East Market properties.

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Fairfax County Rental Program

FUND STATEMENT

Fund Type H94, Local Rental Housing Program

Fund 941, Fairfax County Rental Program

	FY 2007 Actual	FY 2008 Adopted Budget Plan	FY 2008 Revised Budget Plan	FY 2009 Advertised Budget Plan	FY 2009 Adopted Budget Plan
Beginning Balance	\$2,658,585	\$2,808,713	\$3,296,663	\$3,786,544	\$3,442,431
Revenue:					
Dwelling Rents ¹	\$2,836,182	\$3,455,238	\$3,455,238	\$3,465,594	\$3,465,594
Investment Income ¹	345,283	218,087	218,087	229,605	229,605
Other Income ²	231,220	124,319	124,319	190,203	190,203
Intergovernmental Income	0	0	400,632	0	0
Debt Service Contribution (Little River Glen)	508,819	524,166	524,166	508,819	508,819
Total Revenue	\$3,921,504	\$4,321,810	\$4,722,442	\$4,394,221	\$4,394,221
Total Available	\$6,580,089	\$7,130,523	\$8,019,105	\$8,180,765	\$7,836,652
Expenditures:					
Personnel Services ¹	\$1,239,768	\$1,507,131	\$1,507,131	\$1,556,017	\$1,570,991
Operating Expenses ^{1,2}	2,043,658	2,108,315	3,069,543	2,504,236	2,489,262
Total Expenditures	\$3,283,426	\$3,615,446	\$4,576,674	\$4,060,253	\$4,060,253
Total Disbursements	\$3,283,426	\$3,615,446	\$4,576,674	\$4,060,253	\$4,060,253
Ending Balance	\$3,296,663	\$3,515,077	\$3,442,431	\$4,120,512	\$3,776,399
Replacement Reserve	\$2,712,976	\$2,931,390	\$2,858,744	\$3,536,825	\$3,192,712
Cash with Fiscal Agent	583,687	583,687	583,687	583,687	583,687
Unreserved Ending Balance	\$0	\$0	\$0	\$0	\$0

¹ Audit adjustments totaling a net decrease of \$128,649.86 have been reflected as an increase of \$53,390.68 in FY 2007 revenues due to interested earned and revenue reclassification and an increase in FY 2007 expenditures of \$182,040.54 due to payments to bond holders, accrued leave and the reclassification of expenditures. The audit adjustments have been included in the FY 2007 Comprehensive Annual Financial Report (CAFR).

² FY 2007 revenue included loan proceeds of \$3,007,812 from United Bank for permanent financing of ADUs. These proceeds were offset by a corresponding expenditure of \$3,007,812 to repay funds that originally provided temporary financing. Both the revenue and expenditure were revised by \$3,007,812 to present the FY 2007 actual annual operating revenues and expenditures for the fund.