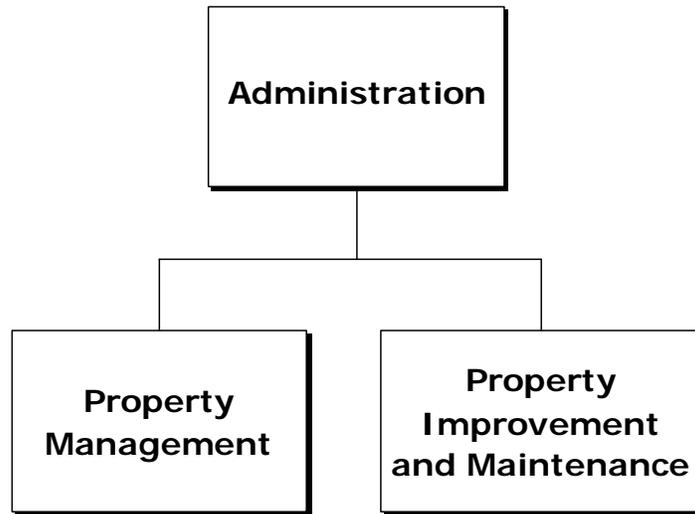


Fund 81200 Housing Partnerships



Mission

To provide affordable rental housing through partnerships between the Fairfax County Redevelopment and Housing Authority (FCRHA) and private investors.

Focus

Fund 81200, Housing Partnerships, was created in FY 2002 to allow the FCRHA to efficiently track partnership properties in the Federal Low Income Housing Tax Credit program, which promotes private investment in affordable housing through partnerships with nonprofit entities such as the FCRHA. The Housing Partnerships fund supports a portion of the operating expenses for local rental-housing programs that are owned by limited partnerships of which the FCRHA is the managing general partner. In FY 2015, the FCRHA will directly manage five partnership properties: Castellani Meadows, The Green, Tavenner Lane, Murraygate Village and Olley Glen. Some costs of the operation of these five properties are tracked through the County's financial system; however, a separate FCRHA software system, Yardi, is required to maintain partnership accounts and meet partnership calendar year reporting schedules. The operation of these developments is primarily supported by tenant rents with a County contribution for real estate taxes. The revenue collected from rents and property excess income is also monitored by Yardi and utilized by the partnerships to reimburse the FCRHA for expenses incurred to support salaries, maintenance and other operating expenses as identified in Fund 81200.

Six other partnership properties receive a County contribution for real estate taxes, but are managed by a private management company and are not reported in the County's financial system. These other partnership properties include: Herndon Harbor House I & II, Gum Springs Glen, Morris Glen, Stonegate, and Cedar Ridge.

Fund 81200 Housing Partnerships

The following chart summarizes the total number of units in the FCRHA managed portion of the Partnership Program in FY 2015 and the projected operating costs associated with the units:

	<u>Units</u>	<u>FY 2015 Cost</u>	<u>District</u>
Castellani Meadows	24	\$194,414	Sully
The Green ¹	24	544,139	Providence, Hunter Mill, and Sully
Tavenner Lane ²	12	150,066	Lee
Murraygate Village	199	981,521	Lee
Olley Glen	90	433,236	Braddock
Total Partnership Program	349	\$2,303,376	

¹ An additional 50 units counted as part of The Green Partnership property are part of the federally assisted Public Housing program and are reflected in Fund 81520, Public Housing Projects Under Management. However, operating expenses for all 74 units are included in Fund 81200 since they are all owned by a limited partnership.

² An additional 12 units at Tavenner Lane are part of the federally assisted Public Housing program and are reflected in Fund 81520, Public Housing Projects Under Management. However, operating expenses for all 24 units are included in Fund 81200 since they are all owned by a limited partnership.

Budget and Staff Resources

<u>Category</u>	<u>FY 2013 Actual</u>	<u>FY 2014 Adopted</u>	<u>FY 2014 Revised</u>	<u>FY 2015 Advertised</u>	<u>FY 2015 Adopted</u>
FUNDING					
Expenditures:					
Personnel Services	\$838,214	\$746,374	\$1,165,722	\$1,074,638	\$1,083,808
Operating Expenses	1,016,511	1,033,304	1,788,500	1,219,568	1,219,568
Capital Equipment	0	0	0	0	0
Total Expenditures	\$1,854,725	\$1,779,678	\$2,954,222	\$2,294,206	\$2,303,376

AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	9 / 9	9 / 9	9 / 9	9 / 9	9 / 9

RENTAL HOUSING PROPERTY MANAGEMENT					
1 HCD Division Director	1	Plumber I		1	Administrative Assistant III
2 Housing Services Specialists II	2	HVAC II		1	Administrative Assistant II
		General Building Maintenance Workers II			
TOTAL POSITIONS					
9 Positions / 9.0 FTE					

Fund 81200

Housing Partnerships

FY 2015 Funding Adjustments

The following funding adjustments from the FY 2014 Adopted Budget Plan are necessary to support the FY 2015 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on April 29, 2014.

- ◆ **Employee Compensation** **\$20,998**
An increase of \$20,998 in Personnel Services includes \$11,828 for a 1.29 percent market rate adjustment (MRA) for all employees and \$9,170 for a 1.00 percent salary increase for non-uniformed employees, both effective July 2014.

- ◆ **Other Post-Employment Benefits** **(\$5,895)**
A decrease of \$5,895 in Personnel Services reflects required adjustments associated with providing Other Post-Employment Benefits (OPEBs) to retirees, including the Retiree Health Benefits Subsidy. For more information on Other Post-Employment Benefits, please refer to Fund 73030, OPEB Trust Fund, in Volume 2 of the FY 2015 Adopted Budget Plan.

- ◆ **Project-Based Budgeting Adjustments and Operating Requirements** **\$508,595**
A net increase of \$508,595 includes an additional \$322,331 for Personnel Services associated with salary and fringe benefit adjustments and other necessary program adjustments to support project-based budgeting based on U.S. Department of Housing and Urban Development (HUD) policy guidelines and County accounting systems. The agency is undergoing a significant reorganizational change to properly align positions with duties and responsibilities and is spreading costs to correlate with these adjustments, as well as Operating Expenses increases of \$186,264 primarily associated with project-based contractual services and repair and maintenance requirements.

Changes to FY 2014 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2014 Revised Budget Plan since passage of the FY 2014 Adopted Budget Plan. Included are all adjustments made as part of the FY 2013 Carryover Review, FY 2014 Third Quarter Review, and all other approved changes through April 30, 2014.

- ◆ **Out-of Cycle Adjustments** **\$643,611**
Subsequent to the *FY 2013 Carryover Review*, two allocations provided \$643,611 including \$500,000 in Operating Expenses for the rehabilitation of the Murraygate property and \$143,611 for Personnel Services based on salary spreads for project-based budgeting requirements. Revenues were increased by a comparable amount to reimburse expenses.

- ◆ **Out-of Cycle Adjustments** **\$410,102**
Subsequent to the *FY 2014 Third Quarter Review*, an allocation provided a total of \$410,102 including an increase of \$142,600 in Operating Expenses for Real Estate Assessment Center inspections maintenance, a physical needs assessment and tenant services contract work at The Green property, sidewalk repairs at the Castellani property, and maintenance on vacant units at the Tavenner property, and an increase of \$267,502 in Personnel Services due to project-based salary spreads. Revenues were increased by a comparable amount to reimburse expenses.

Fund 81200 Housing Partnerships

- ◆ **Carryover Adjustments** **\$120,831**

As part of the *FY 2013 Carryover Review*, the Board of Supervisors approved funding of \$120,831, including \$8,235 in Personnel Services for a one-time compensation adjustment of \$850 for merit employees paid in November 2013 and encumbered funding of \$112,596 for grounds maintenance, custodial work, repair and maintenance and physical need assessments performed by a private consultant.

- ◆ **Position Adjustments** **\$0**

As a result of aligning program duties and responsibilities with the appropriate fund based on HUD policy guidelines and County accounting systems, 1/1.0 FTE Housing Services Specialist II was transferred to Fund 81200 from Fund 81100, Fairfax County Rental Program and 1/1.0 FTE Housing Services Specialist I was transferred from Fund 81200 to Fund 81100. Funding adjustments, if necessary, will be included in a future quarterly review.

Fund 81200 Housing Partnerships

FUND STATEMENT

Fund 81200, Housing Partnerships

	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan	FY 2015 Advertised Budget Plan	FY 2015 Adopted Budget Plan
Beginning Balance	\$29,510	\$29,510	\$63,060	\$63,060	\$63,060
Revenue:					
Investment Income	\$1,717	\$0	\$0	\$0	\$0
Recovered Costs	45,116	0	0	0	0
FCRHA Reimbursements ^{1,2}	1,841,442	1,779,678	2,954,222	2,294,206	2,303,376
Total Revenue	\$1,888,275	\$1,779,678	\$2,954,222	\$2,294,206	\$2,303,376
Total Available	\$1,917,785	\$1,809,188	\$3,017,282	\$2,357,266	\$2,366,436
Expenditures:					
Personnel Services ¹	\$838,214	\$746,374	\$1,165,722	\$1,074,638	\$1,083,808
Operating Expenses ²	1,016,511	1,033,304	1,788,500	1,219,568	1,219,568
Total Expenditures	\$1,854,725	\$1,779,678	\$2,954,222	\$2,294,206	\$2,303,376
Total Disbursements	\$1,854,725	\$1,779,678	\$2,954,222	\$2,294,206	\$2,303,376
Ending Balance³	\$63,060	\$29,510	\$63,060	\$63,060	\$63,060
Replacement Reserve	\$63,060	\$29,510	\$63,060	\$63,060	\$63,060
Unreserved Ending Balance	\$0	\$0	\$0	\$0	\$0

¹ Subsequent to the *FY 2014 Third Quarter Review*, an allocation provided \$267,502 for Personnel Services due to project-based salary spreads. Revenues were increased by a comparable amount to reimburse expenses.

² Subsequent to the *FY 2014 Third Quarter Review*, an allocation provided \$142,600 for Operating Expenses to support Real Estate Assessment Center inspections maintenance, a physical needs assessment and tenant services contract work at The Green property, sidewalk repairs at the Castellani property, and maintenance on vacant units at the Tavenner property. Revenues were increased by a comparable amount to reimburse expenses.

³ The Housing Partnerships Fund maintains fund balances at adequate levels relative to projected operating and maintenance requirements. These costs change annually, therefore, funding is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.