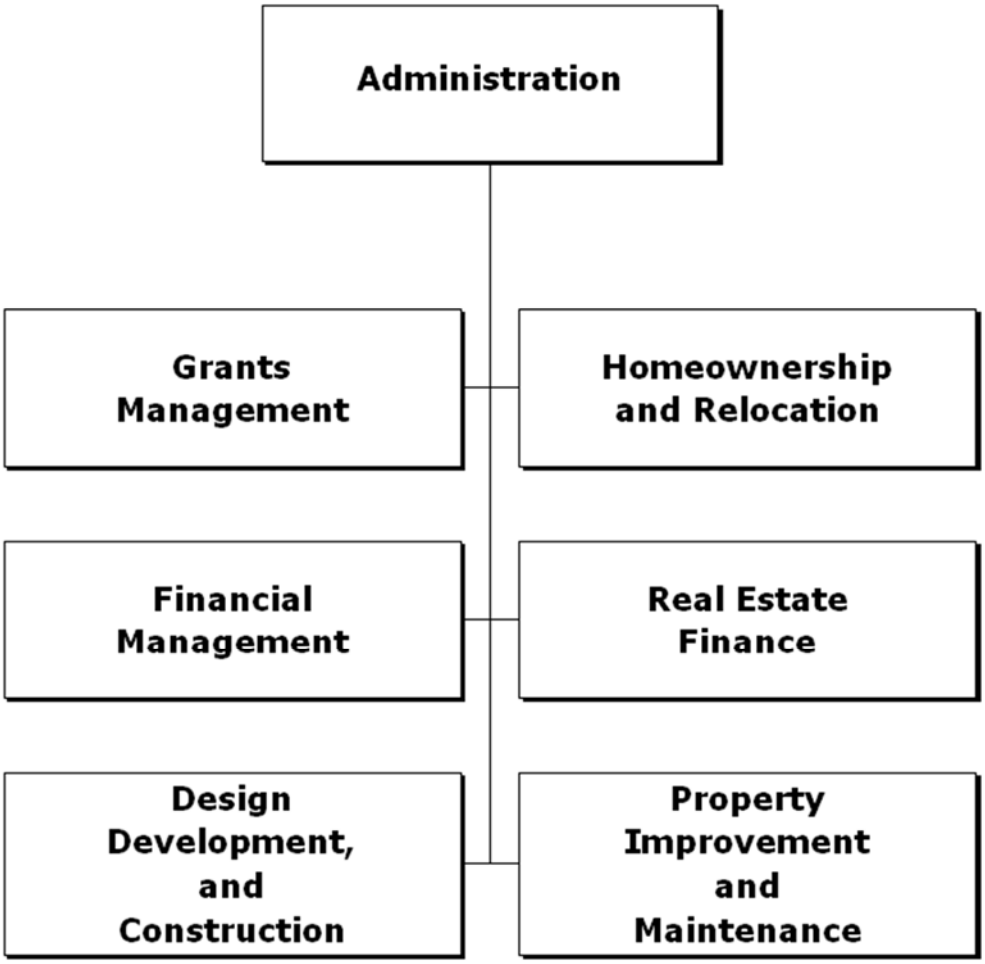
Fund 50800
Community Development Block Grant



Mission

To conserve and upgrade low- and moderate-income neighborhoods through the provision of public facilities, home improvements, public services and economic development, and to stimulate the development and preservation of low- and moderate-income housing.

Focus

Fund 50800, Community Development Block Grant (CDBG), seeks to stimulate the development and preservation of low- and moderate-income housing through the provision of loans, public facilities, and improvements directed toward conserving and upgrading low- and moderate-income neighborhoods. It also supports the provision of special outreach and assistance services to low- and moderate-income households. Fairfax County receives an annual CDBG entitlement through the U.S. Department of Housing and Urban Development (HUD) based on a formula allocation method. The use of these funds is subject to eligibility criteria established by Congress for the program and must meet one of three national objectives: (1) benefit to the low- and moderate-income population of the County; (2) elimination of slums and blight; and (3) meet urgent needs. Specific uses of each annual grant are outlined in the Consolidated Plan One-Year Action Plan. The Board of Supervisors has designated the Consolidated Community Funding Advisory Committee (CCFAC) as the citizen advisory group charged with overseeing the Consolidated Plan process. The Consolidated Plan also incorporates the recommendations of the Fairfax

County Redevelopment and Housing Authority (FCRHA) concerning the use of CDBG funds. The CCFAC forwards the Plan to the Board of Supervisors for a public hearing and adoption. The Plan is then forwarded to HUD for approval and final grant award.

Historically, CDBG funds have been used for:

- development and preservation of affordable housing;
- neighborhood improvements in communities designated as Conservation or Redevelopment Areas by the Board of Supervisors;
- programs providing needed services to the low- and moderate-income population;
- financial and technical assistance to homeowners for housing rehabilitation and repair;
- payments on loans used for affordable housing development; and
- costs to administer this grant and related programs.

Details for specific projects in Program Year 42 (FY 2017) were approved by the Board of Supervisors (BOS) on April 26, 2016 and submitted to HUD as part of the Consolidated Plan One-Year Action Plan for FY 2017.

FY 2017 Initiatives

In FY 2017, funding in the amount of $4,873,926, a decrease of $254,690 or 5.0 percent from the FY 2016 Adopted Budget Plan amount of $5,128,616, represents an estimated award from the U.S. Department of Housing and Urban Development. Necessary adjustments to the estimate will be made as part of the *FY 2016 Carryover Review* after the final HUD award is received. The following identifies some of the projected funding initiatives:

- A portion of the County's CDBG entitlement will be combined with County General Funds and the Community Services Block Grant into a Consolidated Community Funding Pool (CCFP), providing funds through a competitive process to non-profit organizations for human services and affordable housing development and preservation. The Working Advisory Group (WAG) discusses community needs and funding priorities to formulate funding recommendations to the Board of Supervisors. The WAG reviews the FCRHA Strategic Plan recommendations for funding included in the proposed Consolidated Plan One-Year Action Plan for FY 2017 prior to release for public comment. In FY 2017, it is initially projected that an amount of $1,435,590 will be available for the CCFP.

- An amount of $100,000 is projected for the Fair Housing Program implementation, including conducting and reporting on fair housing tests, filing fair housing complaints, training rental agents and housing counselors in the County's rental market, establishing and staffing the Fair Housing Task Force, and continuing to study and report on the County's fair housing needs.

- An amount of $245,397 is projected to support staff and operating costs for the Home Repair for the Elderly Program. This program provides minor home repairs to low-income elderly or disabled residents to enable these individuals to live in safe and sanitary housing.

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- Funding of $1,111,417 is projected to be available for payments on Section 108 Loan Payments. These loans, approved by the BOS and HUD, are designated for affordable housing preservation and development, the reconstruction of Strawbridge Square, Olley Glen and road and storm drainage improvements in five conservation areas (Baileys, Fairhaven, Gum Springs, James Lee and Jefferson Manor).

- Also included in Fund 50800 is support for staff and operating costs to provide federally-mandated relocation and advisory services to individuals affected by federally-funded County and FCRHA programs. In addition, funding is provided for staff support and operating costs for overall program management and planning for CDBG and Section 108 Loan programs. This includes preparation of the annual HUD Consolidated Plan and other program reports, administration and monitoring of non-profit contracts, evaluation of program performance, and planning for the development of affordable housing in the County. In FY 2017, funding for these services is estimated to be $874,500 (Planning and Urban Design and General Administration projects).

- The Homeownership Assistance Program provides funding in the amount of $450,447 for the support of staff in the Relocation Services Branch, who provide support to the First-Time Homebuyer and Moderate Income Direct Sales programs. The main duties of these positions include application data entry, waiting list maintenance, application processing, conducting lotteries, annual occupancy certifications, and counseling applicants.

- Upon approval of the final HUD award in May 2016, it is anticipated that funding in the amount of $656,575 for Contingency Fund requirements would be available for allocation to rehabilitation, and/or Special Needs Housing, which was outlined in the Consolidated Plan One-Year Action Plan for FY 2017.

Budget and Staff Resources

Category	FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2017 Advertised	FY 2017 Adopted
FUNDING					
Expenditures:					
CDBG Projects	$5,722,326	$5,128,616	$10,351,331	$4,873,926	$4,873,926
Total Expenditures	$5,722,326	$5,128,616	$10,351,331	$4,873,926	$4,873,926
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Grant	22 / 22	22 / 22	17 / 17	17 / 17	17 / 17

COMMUNITY / NEIGHBORHOOD IMPROVEMENT

1 HCD Division Director
2 Housing/Community Developers V
4 Housing/Community Developers IV
1 Accountant III
1 Administrative Assistant IV
1 Senior Maintenance Supervisor
2 General Building Maintenance Workers I

HOMEOWNERSHIP PROGRAM

1 Housing Services Specialist IV
3 Housing/Community Developers II
1 Administrative Assistant IV

TOTAL POSITIONS
17 Grant Positions / 17.0 Grant FTE

FY 2017 Funding Adjustments

The following funding adjustments from the FY 2016 Adopted Budget Plan are necessary to support the FY 2017 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 26, 2016.

- **Employee Compensation** **$0**
  It should be noted that no funding is included for a 1.33 percent market rate adjustment (MRA) for all employees or for performance-based and longevity increases for non-uniformed merit employees in FY 2017, as the fund will absorb the impact within the existing HUD award authorization.

- **U.S. Department of Housing and Urban Development (HUD) Award** **($254,690)**
  A decrease of $254,690 is associated with the FY 2016 HUD award that was used to project expenditures for this fund in FY 2017.

Changes to FY 2016 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2016 Revised Budget Plan since passage of the FY 2016 Adopted Budget Plan. Included are all adjustments made as part of the FY 2015 Carryover Review, FY 2016 Third Quarter Review, and all other approved changes through April 30, 2016.

- **Carryover Adjustments** **$5,222,715**
  As part of the *FY 2015 Carryover Review*, the Board of Supervisors approved funding of $5,222,715 due to carryover of $4,736,006 in unexpended project balances, appropriation of $450,457 in unanticipated program income received in FY 2015 and $36,252 due to the amended HUD award approved by the Board of Supervisors on April 28, 2015.

- **Position Adjustment** **$0**
  As part of an internal analysis of grant-funded positions within the Department of Housing and Community Development, 5/5.0 FTE positions without an active grant funding source have been abolished until new or additional resources are identified.

A Fund Statement and a Summary of Grant Funding are provided on the following pages.

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FUND STATEMENT

Fund 50800, Community Development Block Grant

	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan
Beginning Balance	$1,033,715	$0	$288,737	$0	$0
Revenue:					
Community Development Block Grant (CDBG)	$4,526,891	$4,837,674	$9,771,652	$4,873,926	$4,873,926
CDBG Program Income	450,457	290,942	290,942	0	0
Total Revenue	$4,977,348	$5,128,616	$10,062,594	$4,873,926	$4,873,926
Total Available	$6,011,063	$5,128,616	$10,351,331	$4,873,926	$4,873,926
Expenditures:					
CDBG Projects	$5,722,326	$5,128,616	$10,351,331	$4,873,926	$4,873,926
Total Expenditures	$5,722,326	$5,128,616	$10,351,331	$4,873,926	$4,873,926
Total Disbursements	$5,722,326	$5,128,616	$10,351,331	$4,873,926	$4,873,926
Ending Balance[1]	$288,737	$0	$0	$0	$0

[1] Capital projects are budgeted based on the total project costs. Most projects span multiple years from design to construction completion. Therefore, funding for capital projects is carried forward each fiscal year and ending balances fluctuate, reflecting the carryover of these funds.

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FY 2017 Summary of Grant Funding

Fund 50800, Community Development Block Grant

Grant #	Description	FY 2015 Actual Expenditures	FY 2016 Revised Budget	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan
1380020	Good Shepherd	$603,487.00	$759,958.00	$0	$0
1380024	Fair Housing Program	93,879.87	135,305.39	100,000	100,000
1380026	Rehabilitation of FCRHA Properties	748,580.46	649,487.99	0	0
1380035	Home Repair for the Elderly	188,681.00	317,338.52	245,397	245,397
1380036	Contingency Fund	0.00	0.00	656,575	656,575
1380039	Planning and Urban Design	257,097.44	443,403.31	300,000	300,000
1380040	General Administration	393,714.90	473,658.65	574,500	574,500
1380042	Housing Program Relocation	0.00	217,361.73	0	0
1380043	Section 108 Loan Payments	1,132,194.55	1,178,706.94	1,111,417	1,111,417
1380046	Homestretch	400,000.00	400,000.00	0	0
1380055	Christian Relief Services	23,597.31	0.00	0	0
1380057	Wesley/Coppermine	33,779.00	0.00	0	0
1380058	Bilingual Rehabilitation	18,431.00	0.00	0	0
1380060	Homeownership Assistance Program	465,231.36	516,220.09	450,447	450,447
1380062	Special Needs Housing	645,047.19	1,963,237.98	0	0
1380070	North Hill	0.00	620,212.86	0	0
1380073	The Brain Foundation	0.00	209,271.00	0	0
1380076	Community Havens	0.00	800,892.00	0	0
1380078	Cornerstones (formerly Reston Interfaith)	718,605.00	0.00	0	0
1380079	Adjusting Factors	0.00	466,276.34	1,435,590	1,435,590
1380091	Affordable Housing RFP	0.00	1,200,000.00	0	0
Total		$5,722,326.08	$10,351,330.80	$4,873,926	$4,873,926