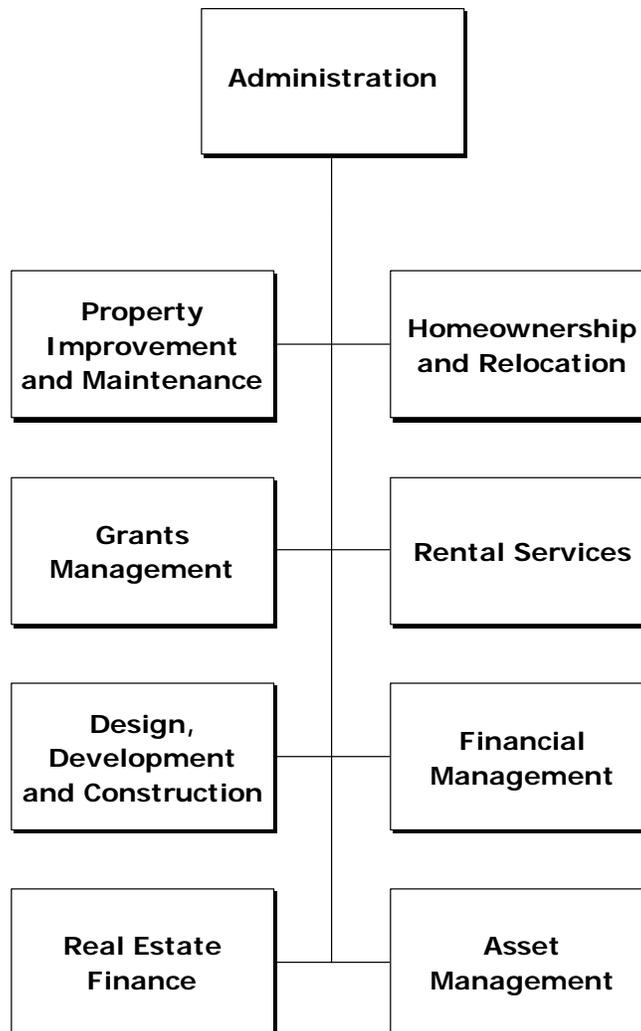


Fund 81000

Fairfax County Redevelopment and Housing Authority General Operating



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 Fairfax County Redevelopment and Housing Authority (FCHRA). Driven by 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

Fund 81000, FCRHA General Operating, includes all FCRHA revenues generated by financing fees earned from the issuance of bonds, monitoring and service fees charged to developers, management fees, investment income, project reimbursements, consultant fees and ground rents on land leased to developers. Revenue supports operating expenses for the administration of the private activity bonds, Homeownership Programs, and other administrative costs, which crosscut many or all of the housing programs.

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In FY 2017, revenue projections for this fund are \$3,082,975, an increase of \$13,045 or 0.4 percent over the FY 2016 Adopted Budget Plan amount. The increase in revenue is primarily due to a slight increase in projected recovered costs, offset partially by anticipated reductions in program income as well as reductions in management and monitoring fee income primarily due to the refinancing of third party debt. Expenditures are \$3,515,829, an increase of \$445,899 or 14.5 percent over the FY 2016 Adopted Budget Plan amount. This increase is primarily due to adjustments associated with project-based budgeting requirements which are resulting in an increase in salaried positions being added to the fund.

A portion of the staff costs associated with the FCRHA Partnership for Resident Opportunities, Growth, Resources and Economic Self-Sufficiency (PROGRESS) Center, Homeownership Programs, and FCRHA real estate development and financing activities are supported by the financing and development/management fees generated by these activities.

In FY 2011, HCD established the Bridging Affordability Program. It was conceived during the development of the Housing Blueprint, and is intended to provide up to three years of local rental subsidies to individuals and families experiencing homelessness and households currently on Fairfax County's affordable housing waiting lists, including those managed by the FCRHA, the Fairfax-Falls Church Community Services Board, the Office to End and Prevent Homelessness and the homeless shelters. The program makes grants available to one or more of the County's non-profit partners per the Board's direction in the Housing Blueprint, and the Bridging Affordability Program is administered by HCD and funded by the operations revenue of the County-owned Wedgewood property. While the revenue and loans made for this program are recorded in Fund 30300, The Penny for Affordable Housing, a portion of the budget is used to fund three merit positions (in Fund 81000) that support this program by providing program compliance, inspecting units and administering the contracts with non-profit partners. Bridging Affordability is intended to serve as a gateway to the FCRHA's federal housing programs, including the Housing Choice Voucher and Public Housing programs.

The FCRHA will continue to make tax-exempt financing available and earn related financing fees. The financing will be used for the agency's own development as well as for the construction or preservation of qualified multi-family housing owned by other developers. However, because many types of projects must compete for an allocation of tax-exempt bond authority from the limited pool of such authority available in the Commonwealth of Virginia, the number of FCRHA tax-exempt bond issues in any year is limited and will vary significantly from year to year. Under this financing mechanism, a percentage of the units in a housing development must meet lower income occupancy requirements. Since 1986, there have been two alternate standards for meeting these requirements. Either 20 percent of the units must be occupied by households with incomes at 50 percent or less of the Washington D.C./Baltimore Metropolitan Statistical Area (MSA) median income (adjusted for household size), or 40 percent of the units must be occupied by households with 60 percent or less of the MSA median income. In addition, the FCRHA will continue to monitor existing tax-exempt financed multi-family housing projects to assure continuing developer compliance with program guidelines.

Fund 81000

Fairfax County Redevelopment and Housing Authority General Operating

Budget and Staff Resources

Category	FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2017 Advertised	FY 2017 Adopted
FUNDING					
Expenditures:					
Personnel Services	\$2,165,745	\$2,351,477	\$2,311,477	\$2,837,775	\$2,837,775
Operating Expenses	689,917	718,453	1,214,154	678,054	678,054
Total Expenditures	\$2,855,662	\$3,069,930	\$3,525,631	\$3,515,829	\$3,515,829
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	27 / 27	27 / 27	27 / 27	27 / 27	27 / 27
ORGANIZATIONAL MANAGEMENT & DEVELOPMENT					
1 HCD Division Director					
1 Housing/Community Developer IV					
2 Financial Specialists IV					
1 Financial Specialist III					
2 Accountants II					
1 Information Officer II					
1 Planning Tech II					
1 Administrative Assistant V					
1 Administrative Assistant III					
2 Administrative Assistants II					
RENTAL HOUSING PROPERTY MANAGEMENT					
2 Housing Services Specialists IV					
1 Housing/Community Developer III					
1 Administrative Assistant III					
1 Administrative Assistant II					
AFFORDABLE HOUSING FINANCE					
1 Housing/Community Developer IV					
GRANTS MANAGEMENT					
1 Housing/Community Developer IV					
1 Housing/Community Developer III					
HOMEOWNERSHIP PROGRAM					
1 HCD Division Director					
1 Housing/Community Developer V					
2 Housing/Community Developers III					
COMMUNITY/NEIGHBORHOOD IMPROVEMENT					
1 Housing/Community Developer V					
1 Housing/Community Developer IV					
TOTAL POSITIONS					
27 Positions / 27.0 FTE					

Note: As a result of a comprehensive review to properly align duties and responsibilities with the appropriate fund, a number of positions are being moved within the Fairfax County Department of Housing and Community Development (HCD). In the *FY 2016 Revised Budget Plan*, 1/1.0 FTE position was redirected to Fund 81510, Housing Choice Voucher Program, 1/1.0 FTE position was redirected to Fund 81520, Public Housing Projects Under Management, 1/1.0 FTE position was transferred from Fund 81520, and 1/1.0 FTE was transferred from Fund 81530, Public Housing Projects Under Modernization. Funding adjustments, if necessary, will be included in a future quarterly review.

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** **\$64,687**
An increase of \$64,687 in Personnel Services includes \$28,274 for a 1.33 percent market rate adjustment (MRA) for all employees and \$36,413 for performance-based and longevity increases for non-uniformed merit employees, both effective July 2016.

Fund 81000

Fairfax County Redevelopment and Housing Authority General Operating

- ◆ **Project-Based Budgeting Adjustments** **\$417,429**

A net increase of \$417,429 is required to support project-based budgeting based on U.S. Department of Housing and Urban Development (HUD) policy guidelines. This is comprised of an increase of \$457,828 in Personnel Services associated with salary and fringe benefit adjustments, partially offset by a decrease of \$40,399 in Operating Expenses primarily associated with projected expenses for contractual services, as well as repair and maintenance.

- ◆ **Other Post-Employment Benefits** **(\$36,217)**

A decrease of \$36,217 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 2017 Adopted Budget Plan.

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** **\$90,701**

As part of the *FY 2015 Carryover Review*, the Board of Supervisors approved encumbered carryover of \$90,701 primarily associated with various program expenses including legal fees, training, and professional contract services.

- ◆ **Third Quarter Adjustments** **\$365,000**

As part of the *FY 2016 Third Quarter Review*, the Board of Supervisors approved an increase of \$365,000 due to higher than anticipated Operating Expenses.

Fund 81000

Fairfax County Redevelopment and Housing Authority General Operating

FUND STATEMENT

Fund 81000, FCRHA General Operating

	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	\$15,310,751	\$15,191,467	\$15,196,815	\$15,106,114	\$14,226,114
Revenue:					
Investment Income	\$31,804	\$35,127	\$35,127	\$32,064	\$32,064
Monitoring/Developer Fees	602,501	439,266	439,266	405,205	405,205
Rental Income	79,434	83,540	83,540	85,809	85,809
Program Income	1,718,241	2,221,760	1,706,760	2,279,291	2,279,291
Other Income	309,746	290,237	290,237	280,606	280,606
Total Revenue	\$2,741,726	\$3,069,930	\$2,554,930	\$3,082,975	\$3,082,975
Total Available	\$18,052,477	\$18,261,397	\$17,751,745	\$18,189,089	\$17,309,089
Expenditures:					
Personnel Services	\$2,165,745	\$2,351,477	\$2,311,477	\$2,837,775	\$2,837,775
Operating Expenses	689,917	718,453	1,214,154	678,054	678,054
Total Expenditures	\$2,855,662	\$3,069,930	\$3,525,631	\$3,515,829	\$3,515,829
Total Disbursements	\$2,855,662	\$3,069,930	\$3,525,631	\$3,515,829	\$3,515,829
Ending Balance¹	\$15,196,815	\$15,191,467	\$14,226,114	\$14,673,260	\$13,793,260
Debt Service Reserve on One University Plaza	\$785,000	\$1,272,890	\$785,000	\$535,000	\$535,000
Cash with Fiscal Agent	7,793,192	7,565,810	7,676,108	7,676,108	7,676,108
Unreserved Ending Balance	\$6,618,623	\$6,352,767	\$5,765,006	\$6,462,152	\$5,582,152

¹ Ending balances fluctuate due to adjustments in revenues and expenditures, as well as the carryover of balances each year.