

Housing and Community Development

38-02-Affordable Rental Housing and Subsidies

| Agency 38 - All Funds | TOTAL CAPS | Department of Housing and Community Development |
|---|---------------------|---|
| Personnel Services | \$7,645,376 | <p>CAPS Percentage of Agency Total</p> <p>A pie chart titled 'CAPS Percentage of Agency Total' is located on the right side of the table. It is divided into two segments: a larger blue segment representing 'Affordable Rental Housing and Subsidies' at 63.1%, and a smaller yellow segment representing 'All Other Agency CAPS' at 36.9%. A legend below the chart identifies the colors: blue for 'Affordable Rental Housing and Subsidies' and yellow for 'All Other Agency CAPS'.</p> |
| Operating Expenses | \$32,092,826 | |
| Recovered Costs | \$0 | |
| Capital Equipment | \$21,000 | |
| Other | \$0 | |
| | | |
| Total CAPS Cost: | \$39,759,202 | |
| | | |
| Federal Revenue | \$24,807,036 | |
| State Revenue | \$0 | |
| User Fee Revenue | \$0 | |
| Other Revenue | \$10,899,379 | |
| | | |
| Total Revenue: | \$35,706,415 | |
| | | |
| Net CAPS Cost: * | \$4,052,787 | |
| | | |
| Positions/SYE involved in the delivery of this CAPS | 145/144.5 | |

*The total Net CAPS Cost of \$4,052,787 includes the Fund 001, General Fund, amount of \$2,306,411 and an amount of \$1,253,327 in Fund 141, an appropriated Fund, provided by a transfer from the General Fund as well as \$147,917 from the Fund 141 Ending Balance; the Net CAPS Cost for FCRHA non-appropriated funds is provided from the Ending Balance in each Fund including \$62,326 in Fund 941, \$157,169 in Fund 966 and \$125,637 in Fund 967.

Housing and Community Development

The following tables identify the expenditure, revenue and position information from the various Department of Housing and Community Development Funds which comprise this CAPS.

| Agency 38 - All Funds | Fund 001 | Fund 141 | Fund 940 | Fund 941 | Fund 950 |
|---|--------------------|--------------------|------------------|--------------------|--------------------|
| Personnel Services | \$1,122,891 | \$848,042 | \$110,493 | \$973,141 | \$745,310 |
| Operating Expenses | \$1,183,520 | \$2,236,268 | \$0 | \$1,910,742 | \$1,422,876 |
| Recovered Costs | \$0 | \$0 | \$0 | \$0 | \$0 |
| Capital Equipment | \$0 | \$21,000 | \$0 | \$0 | \$0 |
| Other | \$0 | \$0 | \$0 | \$0 | \$0 |
| | | | | | |
| Total CAPS Cost: | \$2,306,411 | \$3,105,310 | \$110,493 | \$2,883,883 | \$2,168,186 |
| | | | | | |
| Federal Revenue | \$0 | \$0 | \$0 | \$0 | \$0 |
| State Revenue | \$0 | \$0 | \$0 | \$0 | \$0 |
| User Fee Revenue | \$0 | \$0 | \$0 | \$0 | \$0 |
| Other Revenue | \$0 | \$1,704,066 | \$110,493 | \$2,821,557 | \$2,168,186 |
| | | | | | |
| Total Revenue: | \$0 | \$1,704,066 | \$110,493 | \$2,821,557 | \$2,168,186 |
| | | | | | |
| Net CAPS Cost: | \$2,306,411 | \$1,401,244 | \$0 | \$62,326 | \$0 |
| | | | | | |
| Positions/SYE involved in the delivery of this CAPS | 24/24 | 15/15 | 2/2 | 14/14 | 14/14 |

Housing and Community Development

| Agency 38 - All Funds | Fund 966 | Fund 967 |
|---|---------------------|--------------------|
| Personnel Services | \$2,046,504 | \$1,798,995 |
| Operating Expenses | \$22,008,314 | \$3,331,106 |
| Recovered Costs | \$0 | \$0 |
| Capital Equipment | \$0 | \$0 |
| Other | \$0 | \$0 |
| | | |
| Total CAPS Cost: | \$24,054,818 | \$5,130,101 |
| | | |
| Federal Revenue | \$23,873,009 | \$934,027 |
| State Revenue | \$0 | \$0 |
| User Fee Revenue | \$0 | \$0 |
| Other Revenue | \$24,640 | \$4,070,437 |
| | | |
| Total Revenue: | \$23,897,649 | \$5,004,464 |
| | | |
| Net CAPS Cost: | \$157,169 | \$125,637 |
| | | |
| Positions/SYE involved in the delivery of this CAPS | 35/35 | 41/40.5 |

Housing and Community Development

► Summary

Affordable housing has become a critical issue in Fairfax County. Average rents are now well above \$990 per month for all unit types and are expected to continue to rise in the townhouse and single family rental categories.

Job growth has been exceptional during the last five years, with 32,000 jobs created in 2000 in Fairfax County. This factor alone has attracted many new households to the area. Further, the healthy economy and the proximity of this county to the nation's capital has drawn immigrants and refugees here. The Department of Housing and Community Development's (HCD) waiting list is often used to exemplify the dramatic need for affordable housing in the County. The combined program waiting list has reached its highest level to date. Currently, there are approximately 7,500 applicants on the Public Housing and Housing Choice Voucher (Section 8) waiting lists.

A critical factor contributing to the housing crisis is that housing production could not keep pace with phenomenal job growth, and only 511 units of affordable housing were supplied through the Affordable Dwelling Unit Ordinance during the period of significant job growth. Furthermore, one out of seven families has a critical affordable housing need, meaning that these families spend more than 50 percent of their income for housing. Affordable housing programs offered by HCD or other private or non-profit organizations serve only 29 percent of the families in income levels that are at or below 50 percent of the metropolitan median income.

Key activities, programs and services of HCD and the Fairfax County Redevelopment and Housing Authority (FCRHA) are designed to respond to this affordable housing need in a timely and responsive manner.

The Affordable Rental Housing and Subsidies Program Area represents the direct service activities within HCD providing affordable housing to more than 14,000 individuals and 5,200 households in Fairfax County in FY 2002. The citizens served by these programs are typically in households earning about 30 percent of the County's median income. A diverse population is served, including the elderly, persons with disabilities, and most recently, a growing percentage of immigrants and refugees.

Housing and Community Development

HCD responds to the County's affordable housing demands through a variety of programs and approaches. HCD is particularly skilled in leveraging County funds by attracting Federal funds and private investment. HCD's approaches include:

- Direct ownership and management of 42 conventional housing properties (apartments or townhouses) for families, seniors, and persons with disabilities
- Direct ownership with private management of five properties (two multifamily developments and three senior citizen residences)
- Rental subsidies utilizing the Federal Housing Choice Voucher Program (Section 8) in partnership with private landlords participating in the program. In FY 2002, more than 2,800 households are helped with their rent payments through this program in which the family pays approximately 30 percent of their income for rent and utilities.
- Participation in the Federal Public Housing Program, which supplies 1,064 affordable housing units to eligible low-income families
- Partnership with private investors using the Federal Housing Tax Credit Program
- Scattered site housing

The types of housing offered by HCD/FCRHA include:

- Senior Residences (348 units with 60 units currently under construction)
- Assisted living for seniors (52 beds with 150 beds in the planning stage)
- Multifamily housing (Federal and non-Federal programs supplying 1,075 units)
- Group Homes for disabled persons (7 homes, 69 beds)
- Family shelters (2 facilities, 60 beds)
- Transitional housing (3 units)
- Working singles housing (20 units)
- A mobile home park ("pad" rentals for 115 mobile homes)

HCD determines client eligibility for programs, manages the marketing and lease-up process, provides maintenance and tenant services, ensures compliance with all funding sources and regulations, enforces all lease provisions, inspects properties, and maintains and modernizes properties owned by the FCRHA. Staff also provides resident services and referrals, marketing of properties, handling financial contracts for Section 8, and assistance to participating landlords.

Housing and Community Development

All of these programs have three key service goals: (1) provide affordable homes, (2) promote self-sufficiency, and (3) ensure properties and programs are compatible with the community in all respects. Various target populations are served through a mix of Federally and locally supported programs. These affordable housing programs include:

- Public Housing (1,064 units; achieved HUD "High Performer" rating in FY 2000)
- Section 8 Rental Subsidy Program (2800+ Housing Choice Vouchers in program)
- Affordable Housing Properties such as Cedar Ridge (198 units), Hopkins Glen (91 units), Murraygate (204 units), and Stonegate (234 units)
- Senior citizen residences such as Herndon Harbor House (120 units), Lewinsville (22 units), Lincolnia (26 units), Little River Glen (120 units), Morris Glen (60 units) and Gum Springs (60 units)
- Housing Opportunities for Persons with AIDS Program (a HUD-funded program serving 30 families and individuals, with a waiting list of 132 applicants)
- Coan Pond Residences (the only "Working Singles" program in Fairfax County)
- Group Homes for Disabled Persons

The Housing Management area of operation includes the following components:

Housing Services for Families and Persons with Special Needs, Federal Program Compliance and Asset Management: This component includes housing management services and administration of Public Housing, Section 8, the locally supported Fairfax County Rental Program, management of HCD's extensive housing waiting list system and an award-winning Compliance and Community Relations program that combats fraud and abuse in HCD's assisted housing programs.

This component also provides direct on-site housing management services for Stonegate Apartments and Murraygate Apartments, as well as contract administration for private management, maintenance, marketing and leasing services at Cedar Ridge Apartments and Hopkins Glen Apartments. This branch also provides property management oversight of one homeless shelter and seven scattered site group homes that provide services to disabled adults through the Fairfax-Falls Church Community Services Board and the Virginia Housing Development Authority.

Senior Housing and Services: This component will provide property management services and contract administration to six residential communities for senior citizens, including two that have won design awards. HCD staff frequently provides assistance to citizens who need help making decisions about the housing needs of elderly parents.

Housing and Community Development

Maintenance and Property Improvement Services: On-going interior, exterior and grounds maintenance of residential and office properties owned by the FCRHA is the primary function of this component of housing service delivery. More than 2,500 units of housing and two office buildings are supported. Emergency maintenance services are provided 24 hours a day, seven days a week. This area also includes administration of Federal funds awarded annually for asset protection and modernization of the FCRHA public housing developments throughout the County. This part of the service assesses the physical needs of buildings and related structure systems, develops a five-year action plan and oversees construction contracts issued to carry out the scope of work required each year. A similar five-year plan is also developed and implemented for the FCRHA's non-Federally assisted housing stock.

Funding in support of this program area is arrayed across nine specific funds in the budget of HCD, as follows:

Fund 001: General Fund

Fund 001 supports the above areas, programs and services by funding 24 positions in the administration of housing services and programs, direct services to families (subsidy payments, housing assistance and placement), maintenance, and clerical/support staff. In addition, it covers expenses for exterior painting contracts as well as condominium fees in private developments where the FCRHA owns scattered site units. Total funding in Fund 001 in FY 2002 for these costs is \$2,306,411.

Fund 141: Elderly Housing Programs

Fund 141, Elderly Housing Programs, accounts for personnel (15 positions), operating, and equipment costs related to the County's support of the operation of the three locally funded elderly housing developments owned or leased by the FCRHA. Total funding in Fund 141 in FY 2002 is \$3,105,310, which includes a General County Fund transfer of approximately \$1.3 million. The three elderly housing developments funded in Fund 141, Elderly Housing Programs, are: Lewinsville Senior Residences in McLean, Little River Glen in the Braddock District, and Lincolnia Center in the Mason District. Funding for three facilities, Gum Springs located in the Mt. Vernon District (opening in FY 2002), Morris Glen in the Lee District and Herndon Harbor House in the Dranesville District, are not presented in Fund 141, Elderly Housing Programs. Although they are owned by a limited partnership of which the FCRHA is the managing general partner, a private firm manages and maintains these facilities. Housing and Community Development staff administers the contract between the FCRHA and the private firm hired to manage the facilities. Together, in FY 2002, these six facilities will provide for 408 congregate housing units, 3 Adult Day Care Health Centers, and a 52-bed Adult Care Residence. This includes 60 additional residential units and an adult day care center that opened at Herndon Harbor in April 2001 and 60 additional residential units scheduled for completion at Gum Springs in early 2002. (See below.) These developments address the needs of the more independent elderly and those who require a greater level of care.

In FY 2002, the operation of the Elderly Housing Program will be supported in part with rental income, a State auxiliary grant for indigent care in the Adult Care Residence component at the Lincolnia Center, County support, and Federal HOME funds. The County's General Fund transfer supports approximately 44 percent of this expense. The operating budget provides for about the same level of service as provided in FY 2001. The Gum Springs, Morris Glen and Herndon Harbor facilities are self-supporting and do not require County General Fund support in Fund 141. FY 2002 also begins the third year of a five-year repair and replacement plan at the Lincolnia, Little River Glen, and Lewinsville facilities. This includes the repair of major appliances, updates/upgrades to apartment units, and major repairs forecasted as necessary to parking lots, roofs, and mechanical equipment.

Housing and Community Development

In FY 2001, the second phase of the Herndon Harbor House senior residence was completed. This added another 60 units to the project, as well as a separate facility on the site to house the Adult Day Health Care program operated by the Department of Health. A sixth senior center is under construction in the Gum Springs community in Mt. Vernon District. This facility is scheduled for opening in early 2002 and will provide 60 units of affordable housing. The facility will also house offices and classrooms for a Head Start program in the lower level of the building. Another major initiative is to increase affordable "assisted living" for seniors by partnering with a private sector provider to develop a new 60-bed facility as part of the residential campus at Little River Glen in Braddock District.

Certain expenses reflected in this fund are not directly related to housing operations. The FCRHA, as landlord of these facilities, has interagency agreements, which provide for budgeting by HCD for common area expenses for utilities, telecommunications, maintenance, custodial services, and contracts. The facilities provide space for general community use as well as for services provided by other County agencies.

Other costs related to the County's housing program at these sites, including the operating costs of senior centers, adult day care centers, and a congregate food program, are reflected in the agency budgets for the Department of Community and Recreation Services, the Health Department, the Aging Grants and Programs Fund, and the County Debt Service Fund.

Fund 940: FCRHA General Operating

This fund accounts for the business activities of the FCRHA. Revenue received from monitoring and financing fees, development fees and other sources is reported in this fund and is used to support the programs and activities of the FCRHA.

As related to the affordable housing activity area, this fund, through an allocation of \$110,493 in FY 2002, supports two positions, one of which is a lead housing services specialist responsible for a portfolio of Public Housing Program and Fairfax County Rental Program units. This position has supervisory responsibility of a team of housing managers and occupancy specialists within the assigned "cluster" of properties for a specified geographic area of the County.

Fund 941: Fairfax County Rental Program

The Fairfax County Rental Program (FCRP) is a local rental-housing program developed and managed by the HCD for the Fairfax County Redevelopment and Housing Authority (FCRHA). The FCRP includes a wide variety of affordable housing for a range of income groups, including low- and moderate-income families, senior citizens and disabled persons. 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).

The FCRP includes projects developed or acquired by the FCRHA. These properties are located throughout Fairfax County, primarily in converted condominium projects.

A private management company manages and maintains two stand-alone properties under contract with the FCRHA, Hopkins Glen (91 units; Providence District) and Cedar Ridge (198 units; Hunter Mill District). In FY 2002, it is anticipated that ownership of Cedar Ridge will be transferred to Reston Interfaith, subsequent to FCRHA and U.S. Department of Housing and Urban Development (HUD) approval.

Housing and Community Development

FCRP is primarily supported by tenant rents and County General Fund support in the amount of \$312,476 to pay for condominium fees. In addition, debt service contributions are received from Fund 141, Elderly Housing, to provide support for the debt service costs of Little River Glen, an FCRHA elderly housing development. Total FY 2002 cost is \$2,883,883, which supports 14 positions.

Fund 950: Housing Partnerships

This service component reflects several multi-family developments that were purchased or constructed using innovative financing techniques that involved various partnership arrangements. These properties provide affordable housing for 498 families.

The FY 2002 Fund 950 budget totaling \$2,168,186 will support major maintenance repairs and landscaping upgrades at the oldest and largest of the partnership properties, Murraygate Village and Stonegate Village. A Comprehensive Needs Assessment Study performed in 1997 recommended a multi-year maintenance and replacement program that would improve properties to neighborhood and community standards. In FY 2002, the recommended maintenance repairs and landscaping at Murraygate and Stonegate include fencing, repairs to entrance steps and sidewalks, landscaping, irrigation and erosion control systems, interior and exterior painting and roof replacement. Of the remaining three properties Castellani Meadows and Tavenner Lane are relatively new developments and West Glade was recently rehabilitated. Therefore, costs associated with the projects reflect routine operating expenses such as custodial services, repairs and maintenance, supplies, and insurance.

The operation of this program is primarily supported by tenant rents with County General Fund contribution for real estate taxes at Castellani Meadows, West Glade, and for the Public Housing portion at Tavenner Lane. All expenses incurred for the operating expenses excluding real estate taxes will be reimbursed by the various partnerships.

Fund 965: Housing Grants

Fund 965 was established as part of the FY 2000 Adopted Budget Plan to separately track grants which are awarded to the FCRHA. This Fund provides accounting for three Grants: the Transitional Housing Grant, the Housing Opportunities for Persons With AIDS (HOPWA) Grant, and the Public Housing Drug Elimination Grant, which HUD grants through a formula system on an annual basis to the FCRHA. No new funds are budgeted for this Fund in FY 2002. Funds are carried over from FY 2001 and additional grant awards will be reflected in this fund subsequent to the FY 2001 Carryover Review.

The Transitional Housing Grant is a five-year grant used to support nine homeless families for approximately 24 months each. Funding has been used to acquire three condominium units at the Cedar Lakes Condominiums. The FCRHA owns the three units and supportive case management services are provided under contract with Northern Virginia Family Service, Inc. (NVFS). NVFS services include budget counseling, employment, housing, and parent counseling. These units carry no debt service. However, as a condition of the original award of HUD acquisition funds, they must be used for housing homeless families.

The HOPWA Grant is an annual award that provides rental subsidy assistance for approximately 30 low-to-moderate-income persons with HIV/AIDS. There are 132 persons currently on the HOPWA waiting list. HOPWA funding currently is secure. However, as evidenced by the waiting list numbers (132), the need exceeds available subsidy by a more than 4 to 1 ratio.

Housing and Community Development

The Public Housing Drug Elimination Grant is a two-year grant for the continuation of anti-drug and crime efforts at the FCRHA Public Housing properties. This program has provided the FCRHA with a stable funding source for a variety of important security related activities for about seven years. These have included physical improvements at Public Housing sites such as improved lighting and fencing; security patrols (critical because the FCRHA's inventory consists mainly of small, scattered housing sites without on-site management), and prevention programs directed at youngsters and teens offered by the County's Alcohol and Drug Services unit of the Fairfax-Falls Church Community Services Board. In addition, funds are used to conduct security audits of the properties, survey residents regarding security needs, and coordinate activities with the Police Department.

Future funding is uncertain for two of the three programs, as noted below. The HOPWA Program does not appear to be in jeopardy.

- The Public Housing Drug Elimination Grant has been eliminated from the current administration's Federal fiscal year beginning October 1, 2001. However, the House and Senate are not in agreement on its elimination at this point in time. If dissolved, it will seriously impact the FCRHA's security improvements, planning, security patrols, and prevention programs related to anti-crime and resident safety efforts. There is no other funding available to replace the lost funds.
- The Cedar Lakes program has sufficient funding for NVFS to continue providing support services to the participating families into the beginning of the fourth quarter of FY 2002 if HUD approves a request for a grant extension until that time. If an extension is not granted, HUD will likely recapture funds. NVFS is exploring other funding options to keep the services in place. Should other funding not be forthcoming, no loss of housing units would occur. If funding for the support service component were eliminated, the FCRHA could rent the units out through the Fairfax County Rental Program rather than a supportive services program, as long as the residents had formerly been homeless.

All of these funds are direct grants, usually on a formula basis, from the Federal government through the U.S. Department of Housing and Urban Development and, as such, are subject to annual, or biannual in the case of the Drug Elimination Grant, appropriations by Congress.

Fund 966: Section 8 Annual Contribution

The Housing Choice Voucher Program (HCVP), also known as the Section 8 Program, is the largest subsidy program operated by the FCRHA. The program houses more than 8,000 persons, constituting approximately 2,800 households throughout the County.

The Section 8 Program is a Federal Housing Assistance Program for low and moderate-income families seeking housing in the private rental market. The basic concept is the same for all components of the program. The U.S. Department of Housing and Urban Development (HUD) provides funds to pay a portion of the family's rent. In most cases, this subsidy is the difference between 30 percent of the eligible family's income and a HUD-approved Fair Market Rent (FMR) for a housing unit. Section 8 subsidy funds are used to issue vouchers to eligible households who may lease any appropriately sized, standard quality rental unit from a participating landlord.

Housing and Community Development

Under Fund 966, Section 8, Annual Contribution rental subsidies are provided by HUD to cover the difference between a market-established rent and the rent which is determined to be affordable at a given family's income level. In some cases, the Section 8 subsidies are associated with a particular housing development and in other cases they are transferable with the tenant. Total costs for FY 2002 are \$24,054,818.

The rent subsidy payments are made through a Housing Assistance Payments (HAP) Contract with the owner of the housing. Housing Authorities administer the contract for these subsidy funds on behalf of HUD. In Fairfax County, the FCRHA is responsible for making the monthly subsidy payments, verifying that those benefiting from the subsidy are eligible and monitoring compliance with Federal regulations. This is done by means of an Annual Contribution Contract between the FCRHA and HUD.

The Housing Authority also is responsible for maintaining a waiting list of those seeking a Section 8 voucher. The FCRHA verifies applicant income eligibility before issuing a certificate or voucher, inspects the unit the family selects to ensure compliance with Section 8 Housing Quality Standards, computes the portion of the rent the family must pay and the maximum subsidy. The FCRHA then contracts with the landlord to pay the subsidy, recertifies eligibility annually, and maintains required financial records and reports. The owner of the housing (participating landlord) is responsible for selecting those families to whom the owner wishes to rent. The FCRHA does not select the tenant. The landlord is responsible for enforcing, renewing, or terminating the family's lease in accordance with the terms of the lease.

This fund supports 38 positions, three of which are grant funded. Positions include two related to computer systems management, and 36 that provide the above services to participants and landlords (program eligibility, certifications, contract administration, inspections, financial management, and program compliance monitoring).

This program recently received two awards. The first was an Award of Merit from the National Association of Housing and Redevelopment Officials (NAHRO) for HCD's "Landlord Briefing Program." A second award was the HUD "Best Practices Award of Excellence" for HCD's Compliance and Community Relations program, recognizing its innovative efforts to enforce program regulations and provide outreach to the public. The same program received a NAHRO "National Award of Merit in Program Innovation." Both awards were achieved through a national competition.

Fund 967: Public Housing Program Projects Under Management

The Federal Public Housing Program is funded by HUD. In the past, HUD funds were used to develop or acquire rental housing, which was subsequently owned and operated by the Fairfax County Redevelopment and Housing Authority (FCRHA). For the past four years new construction and acquisition has been discontinued due to funding constraints in this program. Federal funds continue to support the operation and maintenance of these properties.

This program is an essential affordable housing program serving low-income working families, disabled persons and the elderly. Participants pay 30 percent of their income toward rent. Program participants are generally in the income category of "30 percent of metropolitan area median income." Working families, who constitute the largest segment of the participant population, are usually employed in service and trades jobs, as well as local and Federal government positions, throughout the County and the metropolitan region.

Housing and Community Development

Expenditures in this fund total \$5,130,101 in FY 2002 and include the support of personnel, and operating expenses for the operation of 1,064 units within the Public Housing Program. In FY 2002, dwelling rents supported 72.4 percent of the operating costs, excluding debt service, which is totally funded by HUD. Other sources of revenue include payment for utilities in excess of allowances established by FCRHA, maintenance charges, late fees, laundry income, and investment income.

There is a total of 41/40.5 SYE regular positions Federally funded in the Public Housing Program. Under the current HUD Performance Funding System, the FCRHA is eligible for operating subsidies to support the administration of the program. Other maintenance and administrative positions providing support for this program are funded in the General Fund. In addition to public housing support provided in this Fund, FY 2002 funds totaling \$625,640 are provided in the General Fund, in support of refuse collection costs, painting expenses and townhouse/condominium fees.

The FCRHA achieved a Public Housing Assessment System score of 91.4 percent and designated a "High Performer" agency by HUD. HCD also received a HUD "Best Practices Award of Excellence" for HCD's Compliance and Community Relations Program, recognizing its innovative efforts to enforce program regulations and provide outreach to the public. The same program received a NAHRO "National Award of Merit in Program Innovation." Both awards were achieved through a national competition.

Fund 969: Public Housing Program Projects Under Modernization

Fund 969, Public Housing Projects Under Modernization (Capital Improvement Fund), receives an annual Federal grant from HUD, determined by formula, to be used for major physical and management improvements for the Public Housing Program. The purpose of the program is to maintain the economic viability of physical assets, keep the physical housing stock compatible with community standards, and protect and maintain properties in a decent, safe and sanitary condition. The program also provides funding for staff administration. Three grant positions are supported in this fund for the administration of the Capital Improvement Program to include monitoring of all construction in process for projects that have been approved by HUD.

This program is entirely Federally funded. Under this program, HUD local public housing authorities submit a five-year comprehensive improvement plan within the Five-Year Public Housing Plan. The FCRHA submitted an improvement plan in March 2000 for Program Year 28 funding and received HUD approval in September 2000. The Program Year 28 funding will provide for staff administration management improvements and capital improvements for four projects: Villages of Falls Church (Mason District); Greenwood (Mason District); Briarcliff II (Providence District); and Kingsley Park (Providence District).

No funding is included for Fund 969, Public Housing Projects Under Modernization, in FY 2002 at this time. Funding will be allocated at the time of award from HUD.

Capital Fund Program: The current Administration's Federal budget submission has proposed a 25 percent reduction in the Capital Fund. This is the only source of funding that the FCRHA has available to make necessary property improvements and replacements for its Public Housing inventory (HUD does not provide a replacement reserve in the Public Housing Budget). The improvements under this program have contributed greatly to the high score obtained in the HUD Real Estate Assessment inspection. The loss of reserves to effectively manage and improve FCRHA housing stock could lead to a reduction in the quality, appearance, and livability of the FCRHA's developments. If this type of reduction were to occur in the FY 2002 Capital Fund, the budget would be reduced from \$1.88 million to approximately \$1.43 million.

Housing and Community Development

To meet this reduction, the following is a list of the types of activities and improvements that might need to be eliminated or deferred:

- Conducting energy conservation-related improvements
- Modifying units for accessibility for disabled individuals
- Replacement of deteriorated siding, inefficient HVAC units and similar modernization projects throughout the Authority's inventory of Public Housing

Federal formula grants are awarded on an annual basis. Except for the proposed reduction of about 25 percent as described above, program funding has been very stable. This program effectively uses funds for necessary improvements and rehabilitation of Public Housing properties in conformance with HUD requirements. One important aspect of funding is timely use of funds and the FCRHA has met all obligations in expending funds on schedule for approved work projects to modernize facilities.

► **Method of Service Provision**

A variety of methods are used to provide service, which may include: County employees, volunteers, interns, community service workers, Court release, and private contractors.

Hours of service include 24-hour information via the FCRHA's web site (applications may be downloaded from this site) and access to waiting list information application status may be obtained through an automated telephone response system, which is also available 24 hours each day. Hearings to resolve disputes over maintenance charges are offered by telephone conference calls. Other services are typically available during normal County office hours (8:00 a.m. to 4:30 p.m.), but 24/7 emergency maintenance services and extended office hours for orientations and meetings with residents and new participants are also available. Home ownership workshops are frequently conducted on weekends. In special circumstances where a client is unable to travel due to disability, poor health or age, staff will make a home visit.

This service area supports several site offices where on-site services are provided on a scheduled basis. Staff will also schedule evening meetings with residents at property sites and attend evening meetings of the Resident Advisory Council. Property inspections are conducted at various FCRHA sites or at units being considered for rental under the Housing Choice Voucher Program. This service area makes extensive use of contractors. Property management and maintenance services are contracted to private companies at five locations; a sixth site will be added in FY 2002. Additionally, the maintenance function uses outside contractors for special construction projects as well as typical skill areas such as landscaping, grounds care, carpentry, plumbing and electrical services.

Most of the senior residences have on-site staff during usual business hours during the workweek. One site (Little River Glen) has 24/7 coverage using facility attendants to monitor an emergency pull cord system. In special circumstances where a client is unable to travel due to disability, poor health or age, staff will make a home visit. Staff will also schedule evening meetings with residents at property sites. This service area makes extensive use of property management and maintenance contractors. Currently, services are contracted to private companies at five locations; a sixth site will be added in FY 2002.

Housing and Community Development

► Performance/Workload Related Data

| Title | FY 1998 Actual | FY 1999 Actual | FY 2000 Actual | FY 2001 Estimate | FY 2002 Estimate |
|---------------------------------------|----------------|----------------|----------------|------------------|------------------|
| Total Program Area: | | | | | |
| Households housed | N/A | N/A | 4,856 | 5,100 | 5,254 |
| Avg. Occ./Util. Rate | N/A | N/A | 96% | 97% | 98% |
| Avg. HUD/FCRHA Rating | N/A | N/A | 91% | 80% | 80% |
| Elderly Housing: | | | | | |
| Households housed | 250 | 250 | 250 | 400 | 460 |
| Occupancy rate | 98% | 98% | 97% | 98% | 98% |
| Assessment score (100% scale) | NA | NA | NA | 75% | 80% |
| Fairfax County Rental Program: | | | | | |
| Households housed | NA | NA | 366 | 366 | 366 |
| Occupancy rate | NA | NA | 98% | 98% | 98% |
| Rating (FCRHA)* | NA | NA | NA | 75% | 80% |
| Housing Partnerships: | | | | | |
| Households housed | NA | NA | 498 | 498 | 498 |
| Occupancy rate | NA | NA | 98% | 98% | 98% |
| Rating (FCRHA)* | NA | NA | NA | 75% | 80% |
| Section 8 Program: | | | | | |
| Households housed | NA | NA | 2,678 | 2,772 | 2,866 |
| Utilization rate | NA | NA | 88% | 94% | 97% |
| HUD rating (SEMAP)** | NA | NA | NA | 75% | 80% |
| Public Housing: | | | | | |
| Households housed | NA | NA | 1,064 | 1,064 | 1,064 |
| Occupancy rate | NA | NA | 99% | 99% | 99% |
| HUD rating (PHAS)** | NA | NA | 91.4% | 80% | 80% |

*This is a new internal rating system modeled after the HUD "PHAS" rating system. Scores are estimates based upon meeting minimum standards. Actual scores will be derived within 60-90 days following the end of each fiscal year. The rating system classifies housing authorities as "Higher Performers" if they achieve an overall score of 90% or better. A "Standard Performer" rating is given for an overall score of 60% to 90% (scores from 60%-69% require a deficiencies correction plan). An overall score of less than 60% places an agency in the "Troubled" category. (Such agencies are referred to HUD's Troubled Agency Recovery Center for remedial action, monitoring and oversight.)

**The Section 8 Management Assessment Program (SEMAP) and the Public Housing Assessment System (PHAS) ratings are given within 6 months of the end of each fiscal year. The FY 2001-2002 figures for the PHAS rating are based upon an estimated rating as a "standard performer".

Housing and Community Development

► **User Fee Information**

A major source of revenue for this service area is tenant rental income. However, potential income from this source (rents) is limited by the lower income of the tenants being served. Additionally, there are restrictions imposed by Federal regulations and FCRHA policies that limit the proportion of income tenants will pay for rent.